

Col. Conrad Stanton Babcock, O16104.  
Col. Samuel Roberts Browning, O17081.  
Col. William Lewis Bell, Jr., O17549.  
Col. Ned Dalton Moore, O18212.  
Col. James Lowell Richardson, Jr., O18232.  
Col. Charles Hartwell Bonesteel 3d, O18655.  
Col. Maddrey Allen Solomon, O19194.  
Col. Robert Nabors Tyson, O19594.

OFFICERS FOR APPOINTMENT AS RESERVE COMMISSIONED OFFICERS OF THE ARMY UNDER THE PROVISIONS OF THE ARMED FORCES RESERVE ACT OF 1952 (PUBLIC LAW 476, 82D CONG.)

*To be major general*

Brig. Gen. Hugh Meglone Milton II, O154541.

*To be brigadier general*

Col. Wendell Westover, O145721.

*To be major general*

Brig. Gen. Arthur Elsworth Stoddard, O371507.

*To be brigadier generals*

Col. John Nelson Andrews, O150451.  
Col. Louis Dalhoff Burkhalter, Jr., O280416.  
Col. Harold Vincent Gaskill, O996701.  
Col. William Henry Harrison, O292346.  
Col. Gerald Onell Hodge, O253172.  
Col. Henry Cabot Lodge, Jr., O188725.  
Col. Perrin Hamilton Long, O492197.  
Col. Daniel Joseph Manning, O307848.  
Col. Alexander Marble, O241298.  
Col. Thomas Murray Mayfield, O168962.  
Col. Edward Josephus McGrew, Jr., O265015.  
Col. James Clarence Mott, O176119.  
Col. Harry Lynn Ostler, O300698.  
Col. William Christian Otten, O470649.  
Col. Elmo Logan Patton, O229128.  
Col. Harold Glendon Schele, O341587.  
Col. Robert Lee Watkins, O244532.  
Col. Frank Elmore Wilson, O323557.

*To be major generals*

Maj. Gen. Homer Oliver Eaton, Jr., O201691.  
Maj. Gen. Carl Lawrence Phinney O244577.

*To be brigadier generals*

Brig. Gen. Lucien Abraham, O178022.  
Brig. Gen. Harold Arthur Doherty, O2270961.  
Brig. Gen. Waldo Henry Fish, Jr., O282806.  
Brig. Gen. Henry Kimmell Fluck, O415805.  
Brig. Gen. Joseph Ward Henry, O1293051.  
Brig. Gen. Robert Millard Ives, O140472.  
Brig. Gen. John Rutherford Noyes, O2270935.  
Brig. Gen. Maxwell Evans Rich, O323746.  
Brig. Gen. John Darrell Sides, O330828.  
Brig. Gen. John Walter Squire, O155858.  
Brig. Gen. James Edward Taylor, O376731.  
Brig. Gen. Edmund Robert Walker, O291567.  
Brig. Gen. Raymond Watt, O209364.  
Brig. Gen. Oscar Ivy Wrenn, O221793.

PROMOTIONS IN THE REGULAR AIR FORCE

The nominations of Jack Lawrence McCluskey and other officers for promotion in the Regular Air Force under the provisions of sections 502, 508, and 509 of the Officer Personnel Act of 1947 and section 306 of the Women's Armed Services Integration Act of 1948, which were confirmed today, were received by the Senate on January 11, 1954, and appear in full in the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Jack Lawrence McCluskey, which is shown on page 123, and ending with the name of Barbara Merle Hodgkins, which appears on page 128.

IN THE MARINE CORPS

Maj. Gen. William P. T. Hill, United States Marine Corps, to be Quartermaster General of the Marine Corps, with the rank of major general, for a period of 1 year from February 1, 1954.

## HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 25, 1954

The House met at 12 o'clock noon.  
Rev. William H. Huseman, St. Gregory Seminary, offered the following prayer:

We are come, O God, we are come before Thee, we are gathered in Thy name. Vouchsafe to enter our hearts; teach us what we are to do; show us what we must accomplish, in order with Thy help we may please Thee in all things.

Suffer us not to disturb the order of justice, Thou who lovest equity above all things; let not ignorance draw us into devious paths nor partiality sway our minds; neither let bitterness of passion or prejudice pervert our judgment; inasmuch as we are gathered together in Thy name we should in all things hold fast to justice tempered by pity; that in this life our judgment may in no wise be at variance with Thee, and in the life to come we may attain to everlasting rewards for deeds well done.

In the name of the Father and of the Son and of the Holy Ghost. Amen.

The Journal of the proceedings of Thursday, January 21, 1954, was read and approved.

### MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Hanks, one of his secretaries.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1399. An act to authorize the Secretary of Agriculture to sell certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association, and for other purposes;

S. 1577. An act to authorize the exchange of land in Eagle County, Colo., and for other purposes; and

S. 2583. An act to indemnify against loss all persons whose swine were destroyed in July 1952 as a result of having been infected with or exposed to the contagious disease vesicular exanthema.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6665) entitled "An act to amend certain provisions of the Agricultural Adjustment Act of 1938, as amended, relating to cotton marketing quotas."

### RESIGNATION FROM AND APPOINTMENT TO COMMITTEES

The SPEAKER laid before the House the following communications, which were read.

The Clerk read as follows:

JANUARY 25, 1954.

HON. JOSEPH W. MARTIN, Jr.,  
*Speaker, House of Representatives,*  
*Washington, D. C.*

DEAR MR. SPEAKER: I hereby respectfully submit my resignation as a member of the

standing Committee of the House of Representatives on Government Operations.

Sincerely yours,

THOMAS J. DODD.

JANUARY 25, 1954.

The Honorable JOSEPH W. MARTIN, Jr.,  
*Speaker of the House of Representatives,*  
*Washington, D. C.*

DEAR MR. SPEAKER: I respectfully submit my resignation as a member of the standing Committee of the House of Representatives on Interior and Insular Affairs.

Most sincerely yours,

EUGENE J. MCCARTHY.

The SPEAKER. Without objection, the resignations will be accepted.  
There was no objection.

### COMPOSITION OF COMMITTEES OF THE HOUSE

Mr. HALLECK. Mr. Speaker, I offer a resolution (H. Res. 418) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That during the remainder of the 83d Congress the Committee on Banking and Currency shall be composed of 30 members;

The Committee on Foreign Affairs shall be composed of 30 members; and

The Committee on Veterans' Affairs shall be composed of 28 members.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 415) and ask for its immediate consideration:

The Clerk read as follows:

*Resolved*, That the following-named Members be, and they are hereby, elected members of the following standing committees of the House of Representatives:

Committee on Banking and Currency: EUGENE J. MCCARTHY, Minnesota;

Committee on Foreign Affairs: THOMAS J. DODD, Connecticut;

Committee on Government Operations: HARRISON A. WILLIAMS, Jr., New Jersey;

Committee on Veterans' Affairs: WILLIAM H. NATCHER, Kentucky; LESTER JOHNSON, Wisconsin.

The resolution was agreed to, and a motion to reconsider was laid on the table.

### JOINT COMMITTEE ON ATOMIC ENERGY

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the House members of the Joint Committee on Atomic Energy may sit during the session of the House tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

### COMMUNISTS IN THE LABOR MOVEMENT IN AMERICA

(Mr. VELDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VELDE. Mr. Speaker, today I am introducing legislation of utmost importance to all citizens in the United States, a bill designed to clear Com-

munists out of the labor movement in America.

I have always considered the hearings in the many industrial areas in the United States among the most important conducted by our Committee on Un-American Activities. As recently as 1 month ago we saw the sorry spectacle of an alleged labor leader, Harry Bridges, calling a strike against a committee of the House of Representatives, in protest against public hearings in which, once again, Bridges and his cohorts were named as Communists.

The seriousness of this situation is evident when you realize that the entire shipping of the west coast of this Nation was held up by this one man.

It must be clear to everyone by this time that the loyalty-oath provision of the Taft-Hartley Act is largely ineffective in meeting the problem of communism in labor unions.

My bill will authorize the Subversive Activities Control Board, after finding a labor organization to be dominated by Communists, to order that the union shall be ineligible to act as a bargaining agent, or to be the recipient of any benefits under the Taft-Hartley Act.

I firmly believe that this bill will be a big step toward effectively ridding unions in the United States of any and all Communist activity.

#### FORMER RED SYMPATHIZERS IN THE ARMED FORCES

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, I note that the Pentagon cannot decide its policy toward former Red sympathizers. Full support should be given to those courageous individuals who have indicated that court-martial proceedings may be instituted against turncoat GI's who played the Red's tune while they were captives. I welcome evidences of a more realistic policy at least to determine whose side they really are on. No harm will come to the innocent.

I consider the fawning publicity that a few reconverted pro-Red American POW's from Korea have been getting just a bit sickening. It has been a waste of good newspaper space and it indicated a lack of moral values on the part of those who indulged in such sentimentality.

We will do well to think more about the thousands of GI's who stood up under the hell of Korea—who stuck by the things they believed in—who kept the faith. No one will ever know how many of the Americans who died in the Communist prison camps died under torture. We do know that in unmarked graves in Korea lie Americans who gave up their lives rather than give in to the enemy. They are the true heroes. They should be getting the publicity and the praise; they and their loyal buddies who were lucky enough to get back alive.

I have but little sympathy for or interest in those who listened to the Communists and agreed to team up with them when it looked like the easy way, then turned again home—when home looked best.

I feel that the rewards should be limited to those who stood steadfast.

#### PROPOSED SALE OF BUTTER TO RUSSIA—CHARITY BEGINS AT HOME

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, quite a controversy has arisen over the recommendation in President Eisenhower's state of the Union message that we give to friendly nations abroad a billion dollars of surplus farm products now held as surplus by the Commodity Credit Corporation.

While the suggestion is a humane approach, it totally disregards the old adage "Charity should begin at home."

In order that the Congress may have the public's reaction to the matter, I desire to read into the RECORD, at this time, a letter from one of the largest districts making up the United Mine Workers of America:

UNITED MINE WORKERS OF AMERICA.

Beckley, W. Va., January 18, 1954.

Hon. CLEVELAND M. BAILEY,

Member of Congress, Third West Virginia District, House Office Building, Washington, D. C.

DEAR CONGRESSMAN BAILEY: In President Eisenhower's message on the state of the Union, he seemed to be disturbed about what to do with the farm surplus. I note in recent newspaper reports that they are proposing to sell 260 million pounds of butter to Russia, at 50 cents per pound. The Government has millions of pounds of surplus commodities, such as milk, butter, cheese, wheat, and meat that they do not know to do with.

We are allowed to get a few crumbs under the present law, through the Department of Public Assistance, for people who are out of employment and destitute, but not enough to sustain life and limb. It seems ridiculous to me that thousands of men, women, and children are going hungry in this country for the want of food, or in other words starving to death in a land of plenty.

The American coal miner is now producing eight tons of coal per man, per day. The highest efficiency of any workman in the world. He produces so much coal that he has worked himself out of a plate at his own table. Other industrial workers and the farmer are doing the same thing. American ingenuity has solved the problem of production.

There are 20,000 coal miners in southern West Virginia who's unemployment compensation will soon run out or has already run out, and no jobs are available. It behooves the Congress of the United States to attempt to solve the law of distribution, so that the American people will not starve to death on account of overproduction.

I urge you to use your good office to see that the surplus commodities that the Government has on hand is distributed to people

who cannot find employment. It should be the duty of the Government to either find a job for a man that is unemployed, extend unemployment compensation payments, or furnish him with the surplus commodities which seems to be a drug on the market, so that our people will not starve while our farm surplus goes to waste.

With kindest regards and best wishes, I am,

Sincerely yours,

GEO. J. TITLER,  
President, District 29, UMW.

#### SPECIAL ORDER GRANTED

Mr. DAVIS of Georgia asked and was given permission to address the House for 30 minutes either on Wednesday or the legislative day next following, after the legislative business of the day and the conclusion of any special orders heretofore granted.

#### EXEMPTION ON DIVIDENDS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, shout it from the heights, declare it in the streets, think not of it in churches. Hear what the President suggests: Tax the earner to the stress, and the non-earner 75 percent less.

#### SPECIAL ORDERS GRANTED

Mr. O'HARA of Illinois asked and was given permission to address the House for 15 minutes today, following the legislative program and the conclusion of any special orders heretofore granted.

Mr. ANGELL asked and was given permission to address the House for 15 minutes today, following the legislative program of the day and any special orders heretofore granted, and also to revise and extend his remarks and include extraneous matter.

Mr. PATMAN asked and was given permission to address the House for 15 minutes on Monday next, following the legislative program of the day and the conclusion of any special orders heretofore granted.

#### PROPOSED COURT-MARTIAL OF COLONEL SCHWABLE

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I speak somewhat reluctantly, but I am concerned about the Army's purpose in convening a court-martial so hurriedly in the case of Colonel Schwable. This man went through many hells



in Communist prisons. If my information is correct, when he finally arrived in this country he gave himself unservedly to testifying before motion-picture cameras to make possible accurate testimony for the use of the United States to refute the accusations of the U. S. S. R. that we used bacteriological warfare in Korea. You should see the Communist films of the so-called confessions, of which his was one. Then you should see the pictures that we saw at the United Nations taken when he gave his testimony freely. You should read the full testimony before Dr. Charles W. Mayo's committee in the United Nations on bacteriological warfare and then realize what a very real part the colonel's testimony played in making Dr. Mayo's statement effective.

Mr. Speaker, I know nothing about the other men under discussion today. But I hope that we would be humane toward a man who showed great courage in his effort to make amends.

#### COMMITTEE ON RULES

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until midnight tomorrow night to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

#### REPORT OF THE RANDALL COMMISSION

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the House should take note in Sunday's publications of the Report of Presidential-Congressional Commission on Foreign Economic Policy, the Randall Commission, which has given the country a tremendous blueprint of one of the most critical problems facing our Government probably the most critical—because the prospects for peace are directly connected with America's foreign economic policy which will, in turn, be determined by our trade and investment policy.

Under the law today the Commission will expire on April 25, 1954. Hence I am introducing legislation today to extend the life of the Randall Commission until January 2, 1955, so that it may participate in the implementation of its recommendations and make additional recommendations to the Congress. It is essential that in terms of legislation we get the benefit of the enormous amount of work and experience regarding foreign trade and investment which now resides in this Commission.

Foreign economic policy regarding exports and imports, investments, technical assistance and travel will be a major influence in determining continued high levels of economic activity within the United States, keeping the free

world united for freedom by helping it deal with its grave economic problem and assuring strategic material supplies for our country and our allies in free world defense. The grave decline in agricultural exports from the United States is one clear indication of danger in the field of international trade and shows that the whole problem requires urgent attention.

The Commission should be in existence to make its full contribution, not just to write a report, as it has. It has given us a solid middle-of-the-road document. It has shown us the way to do the job our country must do if we are to have peace through a successful free world.

The SPEAKER. The time of the gentleman from New York has expired.

#### JOINT MEETING TO RECEIVE THE PRESIDENT OF THE REPUBLIC OF TURKEY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Friday, January 29, 1954, for the Speaker to declare a recess subject to the call of the Chair for the purpose of receiving in a joint meeting the President of the Republic of Turkey, His Excellency Celal Bayar.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

#### OLD-AGE-PENSION SYSTEMS

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, it has come to my attention that foreign nationals who have worked in this country, and doubtless sent back all of their earnings to their homelands, are now retired to their countries of origin, where they are regularly receiving old-age and survivors insurance benefits from the United States.

As many European countries have old-age-pension systems that have been in effect far longer and are far more all-embracing than our own—notably in England, Germany, and the Scandinavian countries—it is possible and probable that, under existing statutes, a foreign national residing in one of these countries could collect old-age pensions from the United States, as well as his own country, and go out and earn \$75 a month. This would not be a bad deal at all.

Mr. Speaker, it seems to me that some legislation to prevent what seems a rather obvious abuse of the intention of the law should be considered.

I have checked with the Secretary of Health, Education, and Welfare who wrote me on January 21, and I quote:

Our records show that as of December 1952, the last date for which we have exact figures, 240 individuals residing in France were receiving old-age survivors insurance benefits.

As you know, neither United States citizenship or residence in the United States are requirements for receipt of old-age survivors insurance benefits.

In 1939 a provision which would have prevented the payment of benefits to otherwise eligible persons who live abroad was considered by the Congress but was not included in the law.

Mr. Speaker, I believe this matter had better be reconsidered by the Congress, and the law be amended to correct this unfair, unjust, and ridiculous situation.

#### ISSUANCE OF SPECIAL STAMPS FOR OVERSEAS USE

Mr. OLIVER P. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OLIVER P. BOLTON. Mr. Speaker, millions of letters written by Americans go overseas every day of the year. Many hundreds of thousands of these letters go to relatives and friends of American citizens who live in countries behind the Iron Curtain. They convey a little bit of America wherever they go.

Recently, it came to my attention, Mr. Speaker, that the United States is overlooking an opportunity if it does not have postage stamps for overseas letters that tell something about America and her basic belief in liberty and the dignity of man.

Since November 1, 1953, the rate of postage for an ordinary letter by surface mail to any foreign country in the world has been fixed at 8 cents. Our present 8-cent stamp is an undistinguished adhesive, a dull olive brown in color, picturing President Martin Van Buren—a good President but one of our lesser known Chief Executives. The airmail stamps which carry our airmail letters have pleasant designs depicting airplanes in flight, but they, too, tell nothing of the real story of America. And so it is with our other stamps used on overseas mail.

For that reason, I am today introducing a joint resolution to call upon the Postmaster General to issue a new set of stamps, the designs of which should convey the idea of the basic American freedoms prescribed in our Bill of Rights, such as the freedom of worship, freedom of speech, freedom of the press and freedom to vote for elective officials of our own choosing.

In this way, every letter going abroad from America would carry a stamp telling something about America's unshakable faith in individual rights. It would be a real contribution to the battle of ideas now being waged between the minions of Communist totalitarianism and the defenders of the rights of man.

I might add that this proposal would cost the taxpayers nothing. It is a well-known fact that, thanks to the thousands of stamp collectors in our country and overseas, the Post Office Department makes a net profit on every commemo-

rative or other special stamp that it issues.

I hope, therefore, Mr. Speaker, that the Postmaster General will give his consideration to this proposal.

#### HOUSING PROGRAM — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 306)

The SPEAKER laid before the House the following message from the President of the United States, which was read, referred to the Committee on Banking and Currency, and ordered to be printed:

##### *To the Congress of the United States:*

I submit herewith measures designed to promote the efforts of our people to acquire good homes, and to assist our communities to develop wholesome neighborhoods in which American families may live and prosper.

The development of conditions under which every American family can obtain good housing is a major objective of national policy. It is important for two reasons. First, good housing in good neighborhoods is necessary for good citizenship and good health among our people. Second, a high level of housing construction and vigorous community development are essential to the economic and social well-being of our country. It is, therefore, properly a concern of this Government to insure that opportunities are provided every American family to acquire a good home.

In working toward this goal, we must not be complacent. The Federal Government must provide aggressive and positive leadership. At the same time actions and programs must be avoided that would make our citizens increasingly dependent upon the Federal Government to supply their housing needs. We believe that needed progress can best be made by full and effective utilization of our competitive economy with its vast resources for building and financing homes for our people.

The building of new homes provides only a partial solution to the housing problem. The Nation has tremendous assets in its 37 million existing nonfarm homes. The fact that 20 million of these are owner-occupied demonstrates the continuing efforts of our people to have their own homes, where they can raise their families in self-respect and in good surroundings. But 19 million of our existing nonfarm homes are more than 30 years old. We must encourage the conservation and improvement of our existing supply of homes for the important contribution this can make to the raising of national housing standards.

Our housing deficiencies continue to be serious. Millions of our people still live in slums. Millions more live in run-down, declining neighborhoods. The national interest demands the elimination of slum conditions and the rehabilitation of declining neighborhoods. Many of our local communities have made good progress in this work and are eager to make further substantial improvements but are hard put to find the needed resources.

The knowledge, the skills, the resources, and, most important, the will

to do this job already exist in the Nation. We have a private home-building industry and home-financing institutions that are strong and vigorous. We have a highly skilled labor force. Savings are high. While some of our communities are financially hard-pressed, they are increasingly alert to the need both for improving their existing physical plants and for sound growth and development proportionate to their expanding populations. We have the unlimited resources which grow from the independence, pride, and determination of the American citizen. I am convinced that every American family can have a decent home if the builders, lenders, and communities and the local, State, and Federal governments, as well as individual citizens, will put their abilities and determination energetically to the task.

To help find the best way to meet our national housing needs, I recently appointed an Advisory Committee on Government Housing Policies and Programs, consisting of leading citizens experienced in the problems of housing, mortgage finance, and community development. Under the chairmanship of the Housing and Home Finance Administrator, this committee has made an exhaustive study of existing Federal housing programs. It has also analyzed numerous proposals for the development of a program better adapted to our present housing requirements. The conclusions of this committee, and the results of our own studies and experience in administering present housing laws, are reflected in the recommendations I am about to propose. Several of these recommendations provide an entirely new approach to the task of meeting our housing needs.

##### I. NEIGHBORHOOD REHABILITATION AND ELIMINATION AND PREVENTION OF SLUMS

In order to clear our slums and blighted areas and to improve our communities, we must eliminate the causes of slums and blight. This is essentially a problem for our cities. However, Federal assistance is justified for communities which face up to the problem of neighborhood decay and undertake long-range programs directed to its prevention. The main elements of such programs should include:

First. Prevention of the spread of blight into good areas of the community through strict enforcement of housing and neighborhood standards and strict occupancy controls;

Second. Rehabilitation of salvable areas, turning them into sound, healthy neighborhoods by replanning, removing congestion, providing parks and playgrounds, reorganizing streets and traffic, and by facilitating physical rehabilitation of deteriorated structures;

Third. Clearance and redevelopment of nonsalvable slums.

Existing housing programs permit an effective attack on only the third of these essential tasks. A new approach will help our communities to deal effectively with the other two. I, therefore, make the following recommendations:

First. Title I of the Housing Act of 1949 should be broadened. It should make available a program of loans and grants for the renovation of salvable

areas and for the outright elimination of nonsalvable slums. Under this program, there would be immediately available from existing authorizations approximately \$700 million of loan funds and \$250 million in capital grant funds. As our communities are enabled by this broadened authorization to increase the scope and pace of their efforts, I shall request such additional loan and grant authorizations as can be effectively used.

Second. The Federal Housing Administration should be authorized to insure private credit used to rehabilitate homes in declining neighborhoods. This new program should be limited to specific areas where the local community has given adequate assurance that it will carry out a workable plan of neighborhood renewal.

Third. A program of matching grants to States and metropolitan areas should be established to enable smaller communities and metropolitan area planning agencies to do the planning job which is necessary to arrest the spread of slum conditions. I recommend that the Congress authorize the appropriation of \$5 million for this purpose.

##### II. CONSERVATION AND IMPROVEMENT OF EXISTING HOUSING

Because of the housing shortages that developed during the depression and war years, recent Federal housing activities have been directed mainly to increasing the production of new homes. But while the high demand for new homes will continue, and while private activity will be encouraged to meet that demand, we must also undertake the long-delayed job of maintaining existing homes in good condition. Millions of our people live in older homes in which they have invested their savings; our people and our economy will greatly benefit if these homes can be kept in good repair and are brought up to modern standards of comfort and convenience.

It is not enough, therefore, to rehabilitate homes in obsolete neighborhoods. To encourage the maintenance and improvement of homes wherever located, I recommend the following additional amendments to the National Housing Act:

First. The maximum permissible terms authorized for the insurance of loans on existing homes should be made comparable to those available for new housing. This amendment will end the present discriminatory policy which favors the purchasing of new as against existing homes. It should have the important additional advantage of facilitating the trading in of older homes on new home purchases.

Second. The maximum loan which can be insured under title I of the National Housing Act to repair and modernize single-family homes should be increased from \$2,500 to \$3,000 and the maximum term should be extended from 3 years to 5 years. Comparable revisions should be made in loan limitations and terms authorized for the rehabilitation of multiple dwellings. Since the terms of such loans have not changed for 15 years, these adjustments are obviously needed to help our citizens repair and improve their homes.



### III. HOUSING FOR LOW-INCOME FAMILIES

The continued lack of adequate housing, both new and used, for low-income families is evidence of past failures in improving the housing conditions of all of our people. Approval of my preceding recommendations will increase the opportunities of many families with low incomes to buy good older homes. But a more direct and more positive approach to this serious problem must be taken by the Government. I recommend, therefore, a new and experimental program under which the Federal Housing Administration would be authorized to insure long-term loans of modest amounts, with low initial payment, on both new and existing dwellings, for low-income families. The application of this new authority should be limited to those families who must seek other homes as a result of slum rehabilitation, conservation, and similar activities in the public interest. I recognize, as did the advisory committee, that this program represents a challenge to private builders and lenders. In order to assist them in meeting this challenge, a greater proportion of the risk should be underwritten by the Federal Housing Administration than it regularly insures. The successful development of this program will afford a much greater proportion of our lower income families an opportunity to own or rent a suitable home.

Until these new programs have been fully tested and by actual performance have shown their success, we should continue at a reasonable level the public housing program authorized by the Housing Act of 1949. I recommend, therefore, that the Congress authorize construction, during the next 4 years, of 140,000 units of new public housing, to be built in annual increments of 35,000 units. Special preference among eligible families should be given to those who must be relocated because of slum clearance, neighborhood rehabilitation, or similar public actions. The continuance of this program will be reviewed before the end of the 4-year period, when adequate evidence exists to determine the success of the other measures I have recommended. In addition to this requested extension of the public housing program, the Housing Administrator will recommend amendments to correct various defects which experience has revealed in the present public housing program.

### IV. HOUSING PROBLEMS OF MINORITY GROUP FAMILIES

It must be frankly and honestly acknowledged that many members of minority groups, regardless of their income or their economic status, have had the least opportunity of all of our citizens to acquire good homes. Some progress, although far too little, has been made by the housing agency in encouraging the production and financing of adequate housing available to members of minority groups. However, the administrative policies governing the operations of the several housing agencies must be, and they will be, materially strengthened and augmented in order to assure equal opportunity for all of our citizens to acquire, within their means, good and well-located homes. We shall take steps

to insure that families of minority groups displaced by urban redevelopment operations have a fair opportunity to acquire adequate housing; we shall prevent the dislocation of such families through the misuse of slum clearance programs; and we shall encourage adequate mortgage financing for the construction of new housing for such families on good, well-located sites.

### V. MODERNIZATION OF NATIONAL HOUSING ACT

There are certain deficiencies and numerous obsolete and unnecessary provisions in the National Housing Act. The Housing Administrator will present to the appropriate committees of the Congress a number of proposals to modernize this basic law. These recommendations will include a scale of mortgage ceilings more realistically related to the increased cost of both single-family and multifamily structures and complementary revisions in mortgage ceilings for cooperative projects.

### VI. ADJUSTMENT OF PERMISSIBLE TERMS OF GOVERNMENT INSURED OR GUARANTEED MORTGAGES

Because inflationary or deflationary pressures can be accentuated or diminished by mortgage credit terms, Government operations in connection with the insurance or guarantee of mortgage loans should be judiciously adjusted to prevailing economic conditions. The Congress has already given the President limited authority to adjust from time to time, in the light of economic conditions, the permissible terms on Government-guaranteed and insured mortgages. I urge the Congress to broaden this authority to cover all loans insured by the Federal Housing Administration and guaranteed by the Veterans' Administration. Such authority would permit adjustments, within appropriate statutory limits, in maximum interest rates and in loan-to-value ratios and maturities. This action by the Congress would materially strengthen our ability to stabilize economic activity and high levels of production and employment. A fuller discussion of the importance of this recommendation will be included in the economic report to be submitted to the Congress on January 28.

### VII. SECONDARY MORTGAGE MARKET

In recent years the Federal National Mortgage Association has functioned as a primary lender rather than as a secondary source of mortgage credit. As a result the Federal Government now finds itself with substantial frozen investments in guaranteed and insured mortgages. Because of the terms on which these mortgages were written and the prices at which they were purchased, they are not readily salable in the private market. The following changes should therefore be made:

First, The Federal National Mortgage Association should be reorganized to require the users of the facility to invest funds on a basis which would eventually permit the full retirement of Government funds from secondary mortgage market operations. The Federal Government should be enabled to purchase the initial stock of the reorganized association, but private capital funds supplied by the users of the facility should be built

up to speed the retirement of the Government's initial investment.

Second, The reorganized Federal National Mortgage Association should be given three basic responsibilities:

First, it should be authorized to issue its own nonguaranteed debentures on the private market. With the funds so obtained, it can perform a desirable service by buying mortgages at market rates in areas where investment funds are scarce, for resale in areas where there is a surplus of funds. There is need for an organization to carry out this true function of a secondary market.

Second, the new Association should be authorized to manage and liquidate present mortgage holdings which are Government-owned assets. It should be made clear that such liquidation is to be accomplished in an orderly manner and in such a way as to protect the interests of the individual borrower. Since Treasury funds were used in the acquisition of these assets, all proceeds of this liquidation should be returned to the Treasury.

Third, the President should be enabled to authorize the Federal National Mortgage Association to borrow directly from the Treasury for the sole purpose of purchasing certain kinds and types of insured and guaranteed loans when the President determines such action to be necessary in the public interest. For this purpose the borrowing authority of the Association should be limited to a reasonable amount to be made available from the present Treasury borrowing authorization of the Association. Although outright primary support for certain types of loans may be desirable in the public interest from time to time, this support should be clearly identified as the direct use of Treasury funds for mortgage purchasing, and the extent of such support should be closely controlled.

Approval of these recommendations will correct the most serious defects of the present mortgage-purchasing operations of the Federal Government and will authorize an effective secondary market facility, relying primarily on private financing. It will also provide flexible authority under which the Federal Government could directly purchase mortgages, should economic conditions and the public interest indicate the need for such action.

### VIII. REORGANIZATION OF FEDERAL HOUSING ACTIVITIES

The present organization of Federal housing activities is unsatisfactory. The Housing and Home Finance Agency is a loosely knit federation of separate organizations. Its present structure is cumbersome, inefficient, and lacks clear-cut recognition of administrative authority. The result is confusing to the public. Neither the Congress nor the executive branch can expect it to achieve good and efficient management under its present structure. I shall, therefore, submit to the Congress a reorganization plan to provide a better grouping of housing activities headed by an Administrator with adequate supervisory authority.

I believe that this message offers the means whereby our Nation may provide more and better homes for our families.

By applying these recommendations we shall add to the comfort and the health of our people; we shall strengthen the economic and social fibers of our Nation; and we shall reinforce the freedom and self-reliance which have brought greatness to our land. I urge, therefore, that the Congress give to these recommendations its early and favorable consideration.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, January 25, 1954.

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, today I have introduced a comprehensive housing bill.

The administration is to be commended in its efforts to assume the mantle and some of the program of the New Deal.

However, we must remember that the New Deal concerned itself with the vital problems of a past decade. The present-day housing shortage fills a different page in history, coming, as it does, after no-building war years and growing as a result of the sharp increase in families enlarged by the baby boom.

With the advice of housing expert Taft no longer available, it is understandable but unfortunate that the administration's recommendations fall so far short of past Republican proposals. Today we need not only the benefit of past experience in housing problems, but also new plans to solve a grave, new crisis. Some of the administration's recommendations are fine as far as they go, but the size of the program must match the size of the problem.

My bill incorporates the best of past recommendations and certainly has more right to be described as "progressive and dynamic" than does the largely inadequate administration housing program.

While I do not claim perfection for my bill, I am convinced that in its present form it would help fill two tremendous gaps in administration planning and program. First, it would constitute a real step forward in solving our terrible housing shortage, and second, it would help reverse the present economic downturn—which some are trying to pretend is not there—by encouraging the economic health of our national housing industry.

A brief description of my bill follows:

Title I restores the public-housing program of 1949, authorizing thereby the construction of 810,000 units of low-cost public housing at the rate of 135,000 units per year.

Title II provides a realistic answer to the housing problem of the middle-income group through the use of cooperative or nonprofit corporations, an amortization period of 50 years, a low-interest rate and a low down payment of not over 5 percent. A system of financial aid to cooperative housing would be established and technical as-

sistance as well as loans for the planning of housing projects provided.

Title III would help eliminate the disgraceful, expensive slums, characteristic of so many of our cities. The slum clearance and urban development program is liberalized by reducing from one-third to one-fifth the costs local communities bear in making slum-cleared land available for approved new houses.

Title IV would restore the housing-research program authorized in 1948 and 1949 to assist in reducing housing costs and to increase the production of better housing.

Title V reorganizes the Housing and Home Finance Agency by transferring from the Administrator to its constituent agencies responsibility for administering the operating programs of such agencies. The Administrator would be better enabled to control and coordinate the constituent agencies.

Title VI would provide the future buyer of 1- or 2-family houses, built with Federal assistance, a warranty that the house was built according to the plans and specifications on which Federal assistance was based.

Title VII establishes a new standby direct-loan program in the FHA for loans to low- and middle-income non-veterans for the purchase or construction of homes.

Title VIII extends and expands the Veterans' Administration's direct home-loan program.

#### NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (S. DOC. NO. 79)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Armed Services and the Committee on Interstate and Foreign Commerce, and ordered to be printed:

#### To the Congress of the United States:

In compliance with the provisions of the act of March 3, 1915, as amended, establishing the National Advisory Committee for Aeronautics, I transmit herewith the Thirty-ninth Annual Report of the Committee covering the fiscal year 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, January 25, 1954.

#### COMMODITY CREDIT CORPORATION

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 358) to discharge indebtedness of the Commodity Credit Corporation, and further ask unanimous consent that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. WHITTEN. Reserving the right to object, Mr. Speaker, may I ask that

the unanimous-consent request be broad enough to enable me to offer the amendment which was discussed in our committee? I think it is highly important that it be offered.

Mr. H. CARL ANDERSEN. Certainly the request is broad enough to include any amendment the Speaker may hold germane to the joint resolution.

Mr. WHITTEN. I think the joint resolution itself is subject to a point of order.

Mr. H. CARL ANDERSEN. I agree with the gentleman that it is.

Mr. WHITTEN. Unless I can offer the following amendment, I shall have to object to this joint resolution's coming up, until we get a rule, because I think it was understood that I would have the privilege of offering the amendment to the joint resolution. I would like to present here the amendment:

After line 4, page 1, insert the following: "That the Congress hereby finds and declares that the farm-price-support system is designed for the purpose of stabilizing the farm income of American farmers and assuring sufficient return to protect the land and other natural resources. The Congress further finds and declares that all peoples and governments have the inherent right to offer on the world market any and all commodities at competitive prices; and it is therefore declared to be the policy of the United States that our domestic farm program shall not be used to keep American agricultural commodities from being offered on the world market at competitive prices."

"Sec. 2. (a) The Commodity Credit Corporation is hereby authorized and directed to determine what part of present stocks of farm or agricultural commodities in its hands are essential to the national security; and upon such determination title to all such commodities so determined to be essential to the national security shall be transferred to the Defense Procurement Agency, and all commodities so transferred shall be taken off the market: *Provided, however,* That to prevent spoilage or deterioration any part of such commodities may be returned to the Commodity Credit Corporation for sale as hereinafter provided and replaced with a like amount or quantity from Commodity Corporation stocks."

"Sec. 3. In order to make American farm commodities available to users in other countries on the same basis as farm commodities from other nations, all other agricultural commodities of whatever kind or character, title to which is in the Commodity Credit Corporation, and which are not committed for sale, shall be offered for sale for use outside the Continental United States, its Territories, and possessions, at prevailing or competitive world prices: *Provided, however,* That the President by Executive order may restrict or prohibit sales of such commodities for use in Communist dominated countries when in his opinion such sales would be against the interest of the United States."

This will save the Government untold hundreds of millions of dollars and will save our farm program.

The SPEAKER. The Chair will rule on points of order when they are made.

Is there objection to the request of the gentleman from Minnesota?

Mr. WHITTEN. I object, Mr. Speaker.

#### COMMITTEE ON RULES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Committee



on Rules may have until midnight tonight to file a report on House Joint Resolution 358.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

#### THE FEDERAL RESERVE BOARD

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. H. CARL ANDERSEN. Mr. Speaker, the gentleman from Mississippi [Mr. WHITTEN] is of the opinion that the request which I made in reference to House Joint Resolution 358 and as to amendments being offered, which you might personally hold germane, is sufficient for his purpose and, therefore, I believe he will withdraw his objection.

Mr. PATMAN. Mr. Speaker, if the gentleman please, I am not yielding for that purpose. I thought the gentleman wanted to make a unanimous-consent request.

The SPEAKER. The gentleman from Texas declines to yield.

Mr. PATMAN. My time is limited and I would not want to yield for that purpose.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield for a unanimous-consent request.

The SPEAKER. The Chair would inform the gentleman from Texas that if he desires to yield, his time will commence to run, of course, when he is recognized following whatever business is transacted.

Mr. PATMAN. I am glad to yield for a unanimous-consent request, but not to take up any legislation.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield for a request.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that I may be permitted to withdraw my objection to bringing the matter up at the conclusion of the gentleman's time.

Mr. PATMAN. Mr. Speaker, I hope the gentleman will not insist on that, because I was on my feet when that question came up before, and because I am interested in that legislation also.

Mr. WHITTEN. I say at the conclusion of the gentleman's time.

The SPEAKER. The Chair will recognize the gentleman from Minnesota to renew his request after the gentleman from Texas has concluded his special order.

#### CHANGE FEDERAL RESERVE SYSTEM

Mr. PATMAN. Mr. Speaker, I have introduced today a bill to make certain

changes in the Federal Reserve System to carry out part of the original intent of the law. The bill would change the Federal Reserve Board to 12 members, that is, change the board from 12 members on the Board of Governors instead of 7 members as at present. There would be one member from each of the 12 Federal Reserve districts.

The bill would abolish the Open Market Committee which is now composed of 12 members, 7 members of the Board of Governors and 5 presidents of Federal Reserve banks.

The bill, in addition, would make the term of office 6 years for a member of the Board of Governors instead of 14 years, and would permit the present board to remain until their terms expire.

The next thing is that the functions and duties of the Open Market Committee be transferred to the new Board of Governors. I believe this is necessary to get the control of the financial and economic part of our Government back partly into the hands of the people through their Congress.

When the Federal Reserve Act was signed by President Wilson on December 23, 1913, he is quoted as saying at that time that the banks should never be allowed to get control of the Federal Reserve System, and that it would be just as inconsistent for the Government to permit the bankers to operate or influence the Federal Reserve System as it would be to permit the railroad owners who have charge of and administer the Interstate Commerce Commission. President Wilson said it would be absolutely wrong and he warned against it.

I am inserting herewith a copy of this bill referred to:

A bill to increase to 12 the number of members of the Board of Governors of the Federal Reserve System and to provide that their terms of office shall be 6 years, and to abolish the Federal Open Market Committee and transfer its functions to such Board

*Be it enacted, etc.,* That (a) the first sentence of the first paragraph of section 10 of the Federal Reserve Act is amended to read as follows: "After the date of enactment of the last paragraph of this section, the Board of Governors of the Federal Reserve System (hereinafter referred to as the 'Board') shall be composed of 12 members, appointed by the President, by and with the advice and consent of the Senate, and the terms of office of the members of the Board shall, except as hereinafter provided, be 6 years."

(b) Section 10 of such act is amended by adding at the end thereof the following new paragraph:

"The terms of office of the 5 members first appointed to the offices created by the amendment to the first paragraph of this section which took effect on the date of the enactment of this paragraph shall expire, as designated by the President at the time of appointment, 1 at the end of 5 years, 2 at the end of 3 years, and 2 at the end of 1 year, after the expiration of the term of office of the member whose term of office first expires after the date of enactment of this paragraph; and the successor to that member whose term first expires after such date shall be appointed for a term of 5 years. The terms of office of members of the Board in office on the date of enactment of this paragraph shall continue to be the terms for which they were appointed, and whenever a vacancy shall occur, other than by

expiration of a term of office, among such members, the term of office of the member appointed to fill the vacancy shall be the unexpired term of his predecessor."

(c) The second sentence of the second paragraph of section 10 of such act is amended by striking out everything down through "and thereafter each" and inserting in lieu thereof "Each."

SEC. 2. (a) All of the powers, duties, and functions of the Federal Open Market Committee are hereby transferred to the Board of Governors of the Federal Reserve System. The Federal Open Market Committee is hereby abolished.

(b) All personnel, property, records, and unexpended balances of appropriations of the Federal Open Market Committee are hereby transferred to the Board of Governors of the Federal Reserve System.

Over the years amendments have been made to the Federal Reserve Act. It is a great act although it has been abused. It was 40 years old December 23, 1953.

#### NO AUDIT IN 40 YEARS

The system was 40 years old then and has transacted annually hundreds of billions of dollars of business per year. The Federal Reserve System has never been audited by a Government agency. It has never had an independent audit of any kind that any Member of Congress has ever been allowed to see. The Board of Governors of the Federal Reserve System up until less than 2 years ago had never had an audit of any kind over a period of nearly 40 years.

I raised the point in a joint committee of the House and Senate about 2 years ago, and they ran out immediately and secured the services of a private auditing firm, they claim, and had the System audited. But I have never seen the audit. I do not know what instructions the auditors had. I do not know what they went into. No Member of Congress has been offered the privilege of seeing that audit. At least it has never been filed with the abbreviated annual report they must file each year or filed with any committee of Congress.

So here we have a system that has grown up over a period of 40 years that has absolutely gotten out from under the control of the body that created it. The Board of Governors proudly claim that they are not subservient to the executive branch of the Government, the President of the United States. They boast of being independent of the Executive. They proudly proclaim that they are an agency of the Congress. In other words, we are the master and they are the servant. They run things like we are the servant and they are the master.

They have gotten absolutely out from under control not only of the Executive but of the Congress, so that today we have a situation that is fantastic. No one ever dreamed that Congress would permit such an abuse of powers.

We have a Constitution that says that financial and economic matters shall be administered by the Congress of the United States. The Constitution says that Congress shall coin the money and regulate its value. There are 531 Members of Congress; 96 Members of the Senate and 435 Members of the House. They are entrusted with tremendous powers affecting the credit and money policies of our Government.

These 531 Members have not retained jurisdiction over the Federal Reserve System. They, the Members of Congress, have delegated these powers to 12 members of an Open Market Committee. Seven of these members, it is true, should have some obligation to the Government. They are not selected by the people. They are appointed by one who was selected by the people, the President of the United States, but they are selected now for 14 years. They claim not to be under obligation to the President after he selects them. I am referring to these 7 of the 12 members of this committee.

The other 5 members are presidents of 5 Federal Reserve banks out of the 12. How are these five members selected? In the first place, they are selected by the private bankers of the country. There is no doubt about that. No one can dispute what I am saying about this. They are selected by the private bankers of the country.

Are they obligated to serve the public? Well, if they want to serve the public, they may serve the public, but they are not obligated to the public for their selection. They are not obligated to the President for being selected for this position; they are not obligated to the Congress for being selected to fill these important places on this committee of 12 to run our credit and currency and financial affairs. Who are they obligated to? They are obligated to private bankers; they are the only people they are obligated to; so I think it has gone too far. I think it is time for Congress to take another look and see how far we have permitted these people to go and how much power they have and consider getting that power back under the control of the United States Congress where the United States Constitution says it should be.

Those 12 members of the Open Market Committee have delegated that power further; they have delegated it to 5 of their number. These 5 members have all the power that the 12 have. They are composed of 3 members of the Board of Governors and 2 members of the presidents of the Federal Reserve banks.

These 5 members have delegated that power down to 1 of their number, the president of the Federal Reserve Bank of New York.

How much power does he have? He has the power to take the money that is printed over here at the Bureau of Engraving and Printing, that is non-interest-bearing Government obligations, Federal Reserve notes such as you carry around with you and use for money—and they are money, they are obligations of the United States; each note says on its face that it is an obligation of the United States. But it is not counted in the Government debt transactions; and, therefore, the fact that the ceiling is \$275 billion does not make any difference. All right, he has the power to take the money that we have printed over here and trade that money for United States Government bonds that are interest-bearing; and he can get the bonds placed through these 12 Federal Reserve banks—at least he is acting for them and they can get the

bonds in their safes, and as the interest becomes due it is paid to them. Pretty soft, is it not? Pretty soft. Particularly when the General Accounting Office is not privileged to take a look at what is going on. The Board of Governors is on record in opposition to an audit by the Comptroller General.

They have accumulated in that way \$25 billion and more of United States Government bonds that are interest-bearing.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield for a question?

Mr. PATMAN. I yield for a question.

Mr. HOFFMAN of Michigan. I have had considerable difficulty in understanding, or trying to understand, our system of paying out money. Is it true that the only reason for the Government's adopting this course is so that it may guard against counterfeiting and limit the amount issued?

Mr. PATMAN. That part is not necessarily involved here, I may say to the distinguished gentleman from Michigan. Of course we want to print the money because we want to protect it from counterfeiting, but that part is not a vital issue in what I am discussing, I will say to the gentleman; that part is not. The fundamental principle is that we are delegating the power to handle our money, you might say, to the hands of 12 men—7 members of the Board of Governors and 5 members selected by the private banks of the country and they invest it in United States bonds that bear interest, retain the bonds for the 12 banks, and collect the interest when due. That is the point I am trying to make, and further they are abusing their powers.

Mr. HOFFMAN of Michigan. If the gentleman will yield further, I have always had difficulty in understanding why the Government should pay interest to anyone for the privilege of issuing money. Several years ago I read in the Saturday Evening Post the statement that the only reason the Government had control of the amount of money being issued was to prevent counterfeiting and to control the total volume of money which was issued by the authorities.

Mr. PATMAN. Both points are good ones, and as to the gentleman's point on counterfeiting, we should have control. We should also have control over the volume to prevent inflation; but there are plenty of ways to prevent inflation and still let the Congress handle the money through proper delegations of power, many ways.

Mr. HOFFMAN of Michigan. That is something I would like to hear about sometime, because as I understood it I am afraid that if it were left to the Congress to control the volume there would be so many demands on us that we would not be able to control it at all.

Mr. PATMAN. I would be opposed to that. We would not want to have any political distribution of money.

Mr. HOFFMAN of Michigan. Who would control it then?

Mr. PATMAN. No one is advocating that to my mind. We have to have it wisely and discreetly handled, but we do

not want to turn it over to the private banks any more than we would want to turn the fixing of railroad freight rates over to the railroads.

Mr. HOFFMAN of Michigan. I can understand that, I can see merit in that, but who should control the question of how much currency shall be issued from time to time?

Mr. PATMAN. Someone who is charged with the duty of performing a public service and representing the public. As it is now, there is too much of a balance in the banks' favor and they are doing what natural ordinary human beings would do. They are looking after their self-interest. It is perfectly natural. It is part of our private enterprise system—selfishness and self-interest—but we should not allow them to do it. Although they would like to do it we should not allow them to do it against the public interest as they are now doing. So we should take it back from them and give it to people who are charged with the duty of performing a public service; in other words, to look at it from the public-service standpoint, instead of from the private interest, private profit standpoint.

Mr. HOFFMAN of Michigan. Conceding that it should not be given to this group, to just what group would the gentleman advocate we give it, and I am asking that question in good faith.

Mr. PATMAN. I know the gentleman is and I will answer in good faith. The group presently operating has been dominated by the New York banks. The New York banks handle one-third of the business loans in the entire United States. I hope the gentleman understood that.

Mr. HOFFMAN of Michigan. I heard it.

Mr. PATMAN. One-third of the business loans in the entire United States, I repeat. Now, as the situation presently exists, these 12 members delegate their powers to 5 and the 5 to 1. That 1 is strictly a banker's man. The gentleman has always tried to bring up things that might be considered wrong in the light of public service and public duty. When these banks trade this money for interest-bearing bonds they hold the bonds and collect the interest. They are now annually collecting several hundred million dollars interest on those bonds and they are using that money without going through the Appropriation Committees of Congress as other Government agencies are required to do. They are using it without any restraint of any kind whatsoever before letting what is left flow back into the Treasury. In doing that they are paying this man who is head of a New York bank \$60,000 a year out of that money. That is paid out of public funds just as much so as the money the gentleman receives as a Member of Congress or that I receive as a Member of Congress. That just goes to show how they are footloose and fancy free with the money of the Government they are handling. There is no proper control over it. That is the point I am trying to make. There is no proper control over that at all. Not only that but they are not charged sufficiently with a public duty. That is the reason I have introduced a



bill to bring this power back to the Congress, to where Congress will have a little more control over it. We should write into the law definite policies this Board should and must be governed by.

Mr. HOFFMAN of Michigan. All right, conceding all that, conceding that that power is used improperly, my question is, To what group would the gentleman give that power at this time?

Mr. PATMAN. I would give it to the 12 members of the Board of Governors, one selected from each Federal Reserve district and appointed by the President for a 6-year term.

Mr. HOFFMAN of Michigan. Would the gentleman include this present board?

Mr. PATMAN. They would continue to serve.

Mr. HOFFMAN of Michigan. The gentleman would prevent redelegation of that power, is that it?

Mr. PATMAN. Yes, to private bankers. That is what I would do. I would leave it to people selected, one from each Federal Reserve district, and there are 12 Federal Reserve districts. I would have one selected from each Federal Reserve district and selected by the President of the United States, not for 14 years but for 6 years. Have a little quicker turnover there.

Mr. HOFFMAN of Michigan. Would the gentleman permit the banks to continue to get currency and interest on these bonds?

Mr. PATMAN. I presume the gentleman refers to the private commercial banks. That is a point that is separate and apart from this. I want to discuss that at some time when we can go into it a little more fully.

Mr. HOFFMAN of Michigan. I hope the gentleman will advise me of that time.

Mr. PATMAN. I think one of the reasons that people cannot get loans, the small-business man and others, is because the member banks and other private banks are loaded down with Government bonds. They are loaded down with Government bonds and outside paper, like the Commodity Credit Corporation. Now, according to the newspapers, they are going to allow the private banks to buy almost a billion dollars of RFC paper and securities. The banks will have an additional good income from that. A friend of mine, J. D. Gillespie, of Dallas, says that to expect these banks to be patient and considerate with the small-business man is asking too much because they are already taken care of. He says it is like feeding your dogs well before you go hunting. The dogs are not so anxious to hunt if you feed them well before you go hunting.

Mr. HOFFMAN of Michigan. I agree with the gentleman about that dog business.

Mr. PATMAN. So if you go ahead and you fill these banks up with good Government riskless securities to where they can make several dollars a year to every one dollar invested, pay big dividends on their stock and pretty large salaries to their officials, they do not have the incentive and the desire to make local loans. They are loaned up. They are loaned up with what? United States

Government paper, Commodity Credit Corporation paper, Housing paper, RFC paper; all other outside paper.

One of the reasons the Federal Reserve Act was passed was to put a damper on local banks sending their money to New York to be used on the stock market. Now, of course, that was stopped. They quit sending it to New York; at least temporarily they did until the roaring twenties, but now they are investing it in Government guaranteed paper and in United States Government bonds. They are loaned up in Government bonds and other riskless paper, and they do not have the incentive and the desire to serve the people locally as they should. So I think that is one of the biggest questions before us. It affects small business; it affects every kind of business; it affects the ability of the best and most deserving person in your community getting consideration of an application for a loan. How considerate will that bank be when they are already getting all the money that they can possibly make through outside, riskless paper in the form of Government paper and Government-guaranteed paper. So the gentleman has raised a good point.

Mr. HOFFMAN of Michigan. The gentleman has introduced a bill to remedy this situation. Will the gentleman tell me what the number of it is?

Mr. PATMAN. It has not been numbered. I just dropped it in the hopper.

Mr. HOFFMAN of Michigan. Today?

Mr. PATMAN. Yes.

Mr. HOFFMAN of Michigan. I thank the gentleman.

Mr. PATMAN. So, I want to discuss some time more fully the question that the gentleman has asked. And I wonder if the banks now are as active and alert in fulfilling their obligations to the public as they have been in the past for the reasons that I have just outlined. I wonder why the number of banks in this country, although our population has increased tremendously more than any other similar length of time in the history of our Nation, in the last 20 years, have actually gone down 1,500. We have 1,500 fewer banks than we had 20 years ago. Why is that? We have 50 percent fewer banks now than we had 22 years ago. The number of banks are going down. The number of people are going up. Service charges are going up. More bonds are going into the vaults of the private banks. Please understand I am strong for a privately owned commercial banking system. I believe it should be strong. It cannot be strong unless it is profitable. Therefore, I believe in a fair and reasonable profit for the banks.

Mr. Speaker, those are questions that this Congress should look into.

#### DISCHARGE INDEBTEDNESS OF THE COMMODITY CREDIT CORPORATION

Mr. H. CARL ANDERSEN. Mr. Speaker, I call up the resolution (H. J. Res. 358) to discharge indebtedness of the Commodity Credit Corporation, and ask unanimous consent that the resolution be considered in the House as in Committee of the Whole.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. JAVITS. Mr. Speaker, reserving the right to object, and I am going to object, I may tell the gentleman, unless an opportunity is given to the Members of the House who are not here and those who are here to know more about this resolution. I will ask the gentleman what information has been made available to the Members of the House for this step involving something over \$700 million.

Mr. H. CARL ANDERSEN. I might say to the gentleman that opportunity will be given every Member who might wish time for asking questions and discussing the resolution. That is about as far as I can go at this time. Might I say as far as urgency is concerned, this matter was brought before the House this morning by an additional budget estimate from the President. I do not think the gentleman or any other Member of the House, if he knew the conditions of urgency which exist, would object to the consideration of this legislation today.

Mr. JAVITS. The difficulty is that we do not know the conditions. There is no real representation made as to the conditions. Is the gentleman representing to us that if this matter comes up on Wednesday and does not come up today a major interest of the country will be compromised? If so, can he tell us why?

Mr. H. CARL ANDERSEN. I do not make any such representation. I do say that this is a very urgent matter and that there will be ample opportunity, if I handle the joint resolution, for any Member on the floor to ask questions and discuss the joint resolution when it is being considered.

Mr. JAVITS. I would like to inform my colleague that I shall object unless my colleague makes that unanimous-consent request to take effect on Wednesday. I would be willing to see the matter taken up then under fair conditions of debate and amendment and with information made available in advance bearing on the bill.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Indiana.

Mr. HALLECK. I feel some embarrassment about this by reason of my position as majority leader. Of course, I understand the significance of the statement of the gentleman from Minnesota as to the importance of this matter. It is important. The very fact that it is important is the thing from which my feeling of responsibility arises, because in announcing the program last week I said that, so far as I knew, there was nothing of consequence that would be called up today, and that if anything of consequence were to develop, ample opportunity would be given Members so that they could be on the floor.

Again, may I say to the gentleman that I appreciate the importance of this matter. It involves the solvency of the Commodity Credit Corporation under its operations involving the purchase of farm commodities. It involves certain

other aspects of our whole situation regarding the Treasury. To many Members who have come to me and spoken to me, particularly many representing urban districts, it is a matter about which they want to be fully informed and on which they might have something to say. Of course, the objection was originally made by the gentleman from Mississippi [Mr. WHITTEN] when the request was granted. In the interim numerous representations have been made to me, as I pointed out.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New York.

Mr. TABER. I wonder if the gentleman would be satisfied with this—that the consent request be amended to read as follows: That it be in order to move on Wednesday next that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 358, with general debate to be not to exceed 2 hours, to be equally divided between the chairman and the ranking member of the Subcommittee on Agricultural Appropriations.

Mr. PATMAN. Reserving the right to object, Mr. Speaker, I was on my feet when the gentleman from Mississippi reserved the right to object, so I am not a newcomer in this. I can see in this something that I think the Members should more thoroughly understand before voting on it. At least, I would like to know about it. I do not know that I want to take the responsibility of objecting to its coming up. I will not say that I will go that far. But I want to invite the attention of the Members to the fact that I do not think it is a compliment to the House now, or the practice in the past, for things to be brought up here so quickly and suddenly, without giving the average Member like myself, who is not on the committee that is affected, an opportunity to know what it is all about.

In developing that thought just briefly, may I say that last year we had a very important bill that was a bill to raise the debt limit of the United States from \$275 billion to \$290 billion. If any bill in the world should have been developed fully before a committee, it was that bill. Extensive hearings should have been held before the committee and the hearings should have been printed and made available to the Members.

But if they were available, I do not know anything about it. I was unable to get any hearings. I was told that the testimony of witnesses was taken down and was not printed. The bill passed here without Members knowing too much about it because we had not had the bill up for hearings. Of course, we all go back home to our districts and talk to service clubs and tell the people and point with pride to the fact that bills receive such careful consideration, that witnesses are heard and that testimony is taken down and printed and furnished to all Members of the House and Senate, and that we know exactly what we are doing, and that we have considered every paragraph and every sentence and every phrase and every

bit of punctuation, and that we know all about it. We brag about that, but in practice we do not do it. When that bill went over to the other body, they did have a hearing but it was an executive hearing which is just as bad. I doubt if any Member of the House can see those hearings. Newspaper people have seen them. They are all around, all over town, but Members of the House cannot get hold of them. They have some startling, sensational testimony in those hearings, but it is executive—not available to you. The point I am trying to make, is that it is legislation by secrecy. It is not star chamber proceedings, I would not go that far, but it is not advising the Members of the information upon which they can predicate their judgment and vote on a bill. That is what I want in reference to this bill. The Commodity Credit Corporation is something that I have given a great deal of thought and study to, and something has happened in the recent past that I do not like. That is the reason that this bill attracted my attention. I think it dovetails into it. The banks have been loaded down with all kinds of Government paper. I am told, at least through the press I get this information and certainly from the financial journals that they have been getting the banks to take this Commodity Credit Corporation paper so as to keep below the debt ceiling. I would like to ask the gentleman if that is one of the reasons they are selling the Commodity Credit paper to the banks to keep below the \$275 billion debt ceiling. Is that right?

Mr. JAVITS. Mr. Speaker, do I still have the floor?

The SPEAKER. The gentleman from Texas has the floor under his own reservation of objection.

Mr. HALLECK. Then, Mr. Speaker, under the gentleman's reservation, will he yield to me to answer that?

Mr. PATMAN. I yield to the gentleman if that is permissible.

Mr. HALLECK. My understanding is that the question which the gentleman raises is substantially correct. Of course, I did my part in the matter of raising the debt limit last July. I went along as a Republican when Democrats were raising the debt limit, because I thought that it was absolutely essential to the functioning of the Government. If I understand this situation correctly, among many of the things to which those in charge of the fiscal affairs of our Government have resorted, to keep under the debt ceiling by reason of the failure of the other body to act, is this matter to which the gentleman refers. Of course, the CCC has at time borrowed in the open market under the authority of the act.

Mr. PATMAN. That is what makes it look so serious to me. Are we helping them to get around it? I think we should do that sort of thing directly.

Mr. HALLECK. The gentleman was gracious to yield to me, and I hope that he will permit me to conclude.

Mr. PATMAN. Certainly.

Mr. HALLECK. As I understand it, the Commodity Credit Corporation as a part of the overall operation to keep under the debt limit has borrowed certain

sums from private sources which do not figure in the overall national debt, and hence avoid the operation of the debt limit. From that fact alone, the gentleman may, of course, see something of the urgency for action in this matter because he will agree with me, I am sure, that if there is a question about the capital of the Commodity Credit Corporation or the attitude of the Congress with respect to it, that might suddenly indicate a situation where these loans would be called. However, may I say again, it is a matter of extreme importance brought on here primarily, because as we were warned quite some time ago that the capital allowance of the Commodity Credit Corporation is rapidly being exhausted, and now we are up against it. That leads me to say again, Mr. Speaker, in view of what I said last week about the program, I would prefer that the request of the gentleman from New York, that this matter come up on Wednesday, be granted. I think that is ample time as I understand the situation. I would prefer that that request prevail if one of these unanimous-consent requests is to prevail. And if not, I would hope that the gentleman from Minnesota would withdraw his request, and we can then proceed under a rule which could be filed in an orderly manner to get this matter up for discussion on Wednesday.

Mr. PATMAN. Now the gentleman has raised the very point I was apprehensive of. This is needed not so much in the matter of the Commodity Credit transactions as it is needed to help somebody get off the spot in the matter of the national debt limit.

Mr. HOFFMAN of Michigan. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. It is to follow a parliamentary inquiry as to whether this is to continue for any length of time, because if it is then I think we ought to have a quorum in order to get the matter decided.

The SPEAKER. The Chair will state that it will continue until a Member demands the regular order.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask for the regular order.

Mr. PATMAN. Mr. Speaker, of course I shall have to object. I have a statement to make.

The SPEAKER. The gentleman from Michigan [Mr. HOFFMAN] demands the regular order.

Mr. PATMAN. If I cannot finish my statement, I shall be compelled to object.

Mr. H. CARL ANDERSEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The Chair states that the regular order has been demanded and other requests are not in order at this time.

Mr. NICHOLSON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. NICHOLSON. My point of order is that the amendment offered by the gentleman from New York [Mr. TABER] takes this matter out of the hands of the Committee on Rules.



The SPEAKER. That may be the result technically, but that is a subject for the House to consider. The regular order has been demanded.

Mr. H. CARL ANDERSEN. Mr. Speaker, I withdraw my unanimous-consent request.

Mr. PATMAN. Mr. Speaker, I thought I had the floor on a reservation of objection.

The SPEAKER. The regular order has been demanded and reservations of objection are not in order. The gentleman from Minnesota [Mr. H. CARL ANDERSEN] has withdrawn his request.

Mr. PATMAN. Has the gentleman from New York [Mr. TABER] withdrawn his request?

The SPEAKER. There is nothing before the House at this time except a special order granted the gentleman from Michigan [Mr. HOFFMAN].

#### SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan. I ask unanimous consent to address the House for 20 minutes on Wednesday next, following the legislative program of the day and any special orders heretofore entered, and I yield back the time granted me for today.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

#### DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the call of the calendar on Wednesday next be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

#### ADJOURNMENT OVER TO WEDNESDAY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

#### THE RANDALL COMMISSION REPORT

The SPEAKER. Under special order heretofore entered, the gentleman from West Virginia [Mr. BAILEY] is recognized for 60 minutes.

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Oregon.

Mr. ANGELL. Mr. Speaker, I have a special order and ask that my remarks may be extended at the conclusion of the remarks of the gentleman who is now addressing the House [Mr. BAILEY], and that extraneous material may be included.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. BAILEY. Mr. Speaker, the Committee on Foreign Economic Policy, the so-called Randall committee, has made its report. I must say that it is a most disappointing and confusing one. Like the old "one-hoss shay," it is wonderfully and fearfully made. I do not think it will please many who are interested in this important matter. It rambles at great length; the members of the Commission are not in agreement and the conclusions in many instances seemingly contradict the facts on which they are based.

I have not had time to study in detail the report but I notice that more than 40 dissents are scattered throughout the report; the distinguished Senator from Colorado is in disagreement generally with some of the report's principal conclusions. In passing, I might call attention to the fact that the Senator is chairman of the Senate Finance Committee which will handle any legislation on this matter of tariffs and trade policy that comes before the Senate. Also, the chairman of the House Ways and Means Committee, and another member of his committee are in sharp disagreement with the report's conclusions and promise to submit alternative recommendations of their own later on.

I am not in the business of prophecy but I cannot see the Congress adopting the principal conclusions of the report with regard to tariffs and trade. When they recommend doing away with our buy-American legislation; when they attempt to tell the American farmers that they can not have subsidies or a parity program; when they suggest to our House Ways and Means Committee that they pass legislation making it more attractive to American capital to interest abroad rather than at home, then I say the Randall report will be the entering wedge to tear asunder this unholy alliance of favored groups that are waxing fat at the expense of our domestic industries and the millions whose jobs are at stake.

Already it has been demonstrated that the real problem confronting this country is not to reduce tariffs further but is to give protection to vital domestic industries which already are hard pressed by unfair import competition.

I will say that the future of my own State of West Virginia is very dark indeed if the report's recommendations are written into law. They would turn a large part of the State of West Virginia into an economic desert.

The principal industries of the State of West Virginia affected by our national tariff policy are mining, which is almost exclusively coal mining, glassware, pottery, electrical appliances, synthetic fibers, chemicals, crude oil, and clothespins. The Kanawha Valley already is a great chemical center and should become an even greater one in the future. But all the industries mentioned here are vulnerable to foreign competition. The coal industry of my State, its greatest industry, today is in a most deplorable condition due in large part to the dumping on the east coast of residual oil from Vene-

zuela and the Middle East. And the fears of the chemical industry over the future are presented in detail to the Randall commission itself. The textile industry of West Virginia, largely the production of synthetic fibers, also could easily be put out of business by imports and today is in a depressed situation. Charges have been made that synthetic fibers from abroad are—like residual oil—being dumped in the United States.

West Virginia, a leader in the production of handmade glassware, marbles, pottery products, and clothespins has seen these industries driven into bankruptcy by the influx of foreign-made articles produced under low-standard wage and working conditions.

Thirty-six percent of all pottery products consumed in the United States in 1952 and 18 percent of certain types of handmade glassware for the same year were imported from abroad.

I propose to return later to a discussion of the situation which confronts domestic industries that are being hurt by imports, but first let us take a look at some of the recommendations of the report.

I must say that I read some of the statements in the sections devoted to tariffs and trade policy with agreeable surprise. For example—and I quote—listen to this section:

The world, including the United States, has had no experience for any considerable period of time with our present tariffs under conditions which might be termed relatively normal.

The Trade Agreements Act was enacted while we were in the middle of a depression. Many bilateral trade agreements, involving many reductions in our duties, were made during the first 5 years the act was in effect, but there has been limited opportunity to observe their effect before our trade, already distorted, was further disrupted by the outbreak of war. Since the termination of World War II the patterns of both our exports and our imports have been abnormal. There was an unusually large demand for our exports both for consumption and for rebuilding a war-torn world, and an interruption in the growth of our imports, arising out of the same causes. The Korean war resulted in a further distortion. Resulting imbalances were financed largely through our foreign loan and grant programs. During this period we continued to make further agreements involving still further reductions in our tariffs.

This is what many of us have pointed out time and time again. We have said that this is no time to further reduce tariffs because it is beginning to be apparent that the concessions already made are injuring domestic industries and that the volume of competitive imports may increase sharply in the months ahead.

Now let us continue with some quotes from the report:

We are fully aware of the arguments for free trade. It is sufficient to say that, in our opinion, free trade is not possible under the conditions facing the United States today. Even in moving toward greater freedom of trade we must consider all the rigidities, both here and elsewhere, which negate some of the premises on which the arguments for free trade rest. We must take into account that while the United States employs impediments to trade, primarily through tariffs and in only limited fields through quotas,

other countries also employ these devices. Beyond this, they employ the quota procedure far beyond our use, and against other countries as well as against us, and also employ exchange controls and many other devices not used here.

This is sound reasoning and here is some more good logic from the Commission:

We fully recognize the danger of using averages; yet it seems clear by any test that can be devised that the United States is no longer among the higher tariff countries of the world. Taken by and large, our trade restrictions are certainly no more of a cause of payment imbalances than the rigidities maintained by other nations. Restrictions on import and export trade, in turn, are probably no more important than, and in a measure bound up with, the rigidities maintained inside foreign economies through cartel restrictions, the immobility of labor, and ingrained resistance to technological change; and the rigidities maintained inside the American economy through farm price-support programs, minimum wage legislation, resale price maintenance laws and the like.

There we have it. The Commission says frankly that the effects of the concessions already made under the reciprocal trade agreements are not fully known, that free trade is impractical, and that the United States is not a high-tariff country, and that other nations are guilty of trade restrictions, not only through tariffs, but through many other devices.

This does not jibe at all with the recommendations that the President's authority to negotiate the reciprocal trade agreements be continued another 3 years; that he be authorized to reduce existing tariff rates by not more than 5 percent of existing rates in each of the 3 years; that rates may be reduced one-half on products which are not being imported but are being exported in negligible volume; and that the President should be authorized to reduce to 50 percent, ad valorem, or its equivalent, any rate which is more than 50 percent.

There is a significant difference between the words of the Randall Commission and its recommendations. It is like a physician who tells a patient about the evils of drink and then prescribes whisky.

The retention of the escape clause and the peril point provisions of the existing law are recommended by the Commission, but the report significantly states that the escape "clause has been applied by the President with respect to only 3 products, despite the fact that there have been over 50 applications for the use of that clause in the past 5 years." The Commission also recommends that along with the retention of the peril point and escape clause—which are supposed to protect and give relief to American industry—that the "statute be amended expressly to spell out the fact that the President is authorized to disregard findings under these provisions whenever he finds that the national interest of the United States requires it."

There is little comfort here, for one of the persistent complaints against the reciprocal-trade-agreement program is that it has been almost impossible to get relief for industries injured by foreign competition. I know that has been true

so far as the bituminous-coal industry is concerned. That hard pressed industry has tried in every possible way to end the dumping of residual oil along the east coast but to no avail.

The report of the Randall Commission makes out such a good case for protection that I cannot refrain from referring to it again and again. As another instance, it says industry falls into three broad classes, the first being the mass-production industries that have little or no problem with regard to imports. It continues:

The second class is one in which machinery and production facilities, general speaking, are identical or at least similar here and abroad. In some of these the same number of man-hours go into a unit of goods here and abroad; in others the use of labor is less efficient abroad than here and there may be other offsetting cost factors. Whether or not imports may be seriously damaging is dependent on factors which vary industry by industry, but in at least some of these the labor factor is the controlling element.

The third class is the so-called handicraft type where machinery is a minor element. Here quite obviously, with labor the major cost, imports can be not merely serious but destructive to the domestic industry without a tariff.

Then comes this word of warning:

We do not wish it to happen that the wage level in the third class and in some of the second class should be determined or seriously affected by the wage levels abroad in competitive industries.

After these beautiful summaries on the need for protecting domestic industry, I do not understand how the Randall Commission could recommend a program which means further tariff reductions. I do not understand how the Commission could recommend the repeal of the laws which give our merchant fleet preference in the shipment of Government owned and Government financed cargoes. I do not understand how they can recommend repeal of the Buy American Act. I think the Commission overlooks necessity of protecting vital defense industries, including coal.

As I stated, I have not yet had an opportunity of studying carefully all the provisions of the report. Offhand, however, I would say that it constitutes a confession of defeat by those blithe spirits who were repeating "trade-not-aid" and similar slogans. The free traders are in retreat. The report of the Randall Commission actually is a communique of an army in flight.

Now, let us proceed to the formulation and consideration of a trade policy that is in the interests of the United States of America.

I am frank in saying that I do not think the people of this country are going to tolerate indefinitely the dumping of foreign products at the expense of American citizens. The treatment accorded the bituminous-coal industry is a disgrace. Thousands of coal miners in the State of West Virginia today are out of work because markets they had along the east coast have been taken away from them by cheap residual oil from Venezuela and the Middle East. More than 115 major, rail-connected, Southern coal mines, which formerly employed around 15,000 miners, have closed down

in the past 2 years. Total production in the southern area is down around 150,000 tons from the peak year of 1947. Families are going on relief and many are moving away in search of work. This situation is being duplicated in many industries. Our wage earners—and voters—are not going to stand this situation indefinitely. Any government and any administration which does not look after its own is not going to last long.

I am in favor of trade with foreign nations. I favor the maximum amount of trade consonant with the prosperity and stability of the United States. We must keep our national economy strong. No worse calamity could happen to the world than for us to have a major depression in this country. One way to prevent that catastrophe is to keep our industries prosperous and our men at work. The best market for our own products is the home market. Let us keep that market and let us keep it in a flourishing and healthy condition.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. HOFFMAN of Michigan. I wonder if the gentleman will permit me to extend at the end of his speech an article from yesterday's Star along the lines the gentleman is advocating.

Mr. BAILEY. I will get the consent the gentleman wishes.

Mr. HOFFMAN of Michigan. I will send it over to the gentleman for him to read and insert if he cares to, but it is in support of what the gentleman is talking about and in accord with his views.

Mr. BAILEY. I thank the gentleman from Michigan.

Mr. Speaker, at this time I recognize the distinguished gentleman from California [Mr. SHELLEY]. I would like to have him discuss the question that has so often been raised that we do away with legislation to buy American and the effect it would have on our Maritime Commission.

Mr. SHELLEY. Mr. Speaker, I thank the gentleman for extending me this time. I want to say at the outset that unlike the gentleman from West Virginia, I have not gone as far as he has on some of the reciprocal-trade agreements. I have been a supporter of reciprocal trade generally, but I disagree most heartily with one of the recommendations of the Randall Commission in particular, and with several other recommendations of the Commission to a greater or less degree. The particular issue I have in mind is this: In a very weasel-worded way they have made a recommendation that the 50-percent requirement in regard to the carriage of American-aid cargoes to foreign countries in American vessels be eliminated, and any existing legislation pertaining thereto be repealed. Mr. Speaker, this would create and bring about a very disastrous result to the American merchant marine. The Congress of the United States and several administrations have consistently recognized that the American merchant marine needs the support of the Government. The present President of the United States has referred to it as the actual fourth arm of our defense. Our American merchant marine is needed



and its need and usefulness has been proven during two world wars. Contrary to the belief of some businessmen and some starry-eyed people who once in a while creep into Government, and who continue to take the position that we need not have an American merchant marine but can depend upon the vessels of other friendly nations, we have found by experience we cannot so depend.

Mr. Speaker, this is not an issue which the Congress or the American people can afford to take as lightly as the Randall Commission has apparently done. Although it is reported that representatives of the point of view of foreign shipping interests were permitted to testify personally before the Commission, the American shipping industry was forced to confine its presentation to formal written statements—written "in the dark" so to speak, because they did not know just what factors were occupying the Commission's attention. The Commission's report certainly bears evidence that the position of the American merchant marine was not given the consideration due it in analyzing the relative situations and needs of our commercial fleet versus friendly foreign merchant marines.

The Commission report, for instance, places undue stress on the availability in wartime of "the services of the merchant ships of our allies through the operation of an interallied shipping pool." They do not consider that under this arrangement and through lend-lease we gave away 8 tons of shipping for every 1 we requisitioned. The Commission apparently did not know or did not consider it important that to keep that pooled fleet in operation with necessary additions and replacements the American taxpayer spent about \$15 billion in ship construction during the war, while the replacement contributions of these friendly foreign nations was insignificant.

As another example of the one-sided view taken by the Commission, the majority report refers to the American merchant marine enjoying "statutory preferences which in effect give it the exclusive carriage of shipments by the defense agencies for American forces." Anyone at all familiar with the true facts would not be misled into making such a statement. The fact of the matter is that the Military Sea Transportation Service, an arm of the United States Navy, enjoys this exclusive privilege and not the private American merchant marine. Our commercial fleet gets some of the crumbs from this military operation but only what the Military Sea Transportation Service feels that it can spare.

In speaking of these statutory preferences with specific reference to the requirement long upheld by Congress that at least 50 percent of foreign-aid cargoes shall be carried in American-flag vessels, the report states that—

The effect is to compel countries receiving dollar assistance to spend a part of it on freight services which they could render to themselves if permitted to do so.

This is spoken of as a diversion from the purpose intended for foreign-aid funds. Completely overlooked is the fact

that since the inception of ECA in 1948 until June 30 of last year, over \$170 million of local foreign currency counterpart funds made available as a result of foreign-aid operations were spent by those countries in building up their merchant and fishing fleets as competitive instruments to our own maritime operations.

Mr. Speaker, if the American maritime industry is to be capable of repeating its remarkable performance in World War II we cannot be so foolhardy as to permit those starry-eyed individuals of whom I spoke, by leaguizing themselves with a certain segment of the maritime industry, to kill off an already weakened industry. Putting into effect the Randall Commission's recommendation to repeal the 50-50 provisions of law would have just that effect. There are certain maritime interests, nominally American, which stand to profit by such action. I speak of shipping operators who have obtained American vessels by one means or another and then transfer them to foreign flags solely to take advantage of the profits obtainable through operation under substandard foreign working conditions, pay, and sanitary and safety requirements. Rather than encourage that sort of action this Congress should clamp down on it. We should make it impossible for such operators to weaken the American merchant marine and threaten our own high standards by legislating to limit strictly their operations. It is such "cheap" operators whom foreign nations utilize at the expense of our commercial fleet. Repeal of the 50-percent requirement would give them an even greater opportunity to make hay.

Mr. Speaker, perhaps the unfamiliarity of most of the members of the Randall Commission with the workaday operations of the maritime industry may excuse them for some of the remarkable conclusions they have reached with regard to the industry. However, that would not excuse us for acting favorably on their recommendations. The Commission seems to feel that in event of national emergency a complete maritime operation, with all its necessary components including an active shipbuilding industry, would spring up full grown. To have such an industry when needed we must maintain it now with every means at our command, including at least as much preferential treatment as the industry now receives. We must keep active a strong nucleus of experienced shipbuilding personnel to build ships and to keep them in repair, and we must keep in active service the men needed to man the ships. We cannot do that by tearing down the American merchant marine and building up those of our friendly competitors at our expense.

The Randall report, to one unfamiliar with the actual situation, would indicate that the merchant marines of our allies were in a bad way and that our own was flourishing. In the short time available to me let me cite a few figures to illustrate how dangerously misleading this impression is. On June 30, 1948, at a time when our own postwar fleet was already decreasing and that of our allies expanding, we had in our total

active fleet 1,723 vessels of 1,000 gross tons and over, both Government and privately owned. As of January 1 of this year we were operating 1,203 such vessels. On June 30, 1948, foreign flag fleets consisted of 8,826 such vessels. As of June 30, 1953, the latest date for which figures are available, these foreign fleets had expanded to 10,732 vessels. Thus, in 5 years our fleet has decreased by almost one-third while foreign fleets have built up by almost one-fourth. Does that look as though the operations of our fleet have harmed foreign merchant marines or vice versa? To make the picture complete and more devastating as to the situation of the United States merchant marine, data on ships now under construction are even more indicative. As of July 1, 1953, the United States private merchant marine had no passenger vessels and no freighters under construction. To cite one country only, the United Kingdom at that time had 2,144 freight vessels on order or under construction, with an additional 7 passenger vessels. Sweden, Norway, Denmark, the Netherlands, Japan, France, Italy, and other maritime nations all have active ship construction programs underway, including both passenger vessels and freighters. With our warbuilt fleet rapidly approaching obsolescence, how long will we have any fleet at all—particularly if such recommendations as the Randall Commission has made are to be allowed to dictate its doom.

Mr. Speaker, the American shipping and shipbuilding industry should not be asked to supply a transfusion to competitors, no matter how friendly, when it badly needs some plasma itself in order to keep afloat. When the recommendations of the Commission on Foreign Economic Policy are before this body I pray that these facts will be borne in mind.

One of the other features, Mr. Speaker, that the Randall Commission recommends is opening up the purchase by the American Government of machinery and equipment which would be manufactured by foreign manufacturers, for use in Government installations, dams, and Government operations. Imagine this at this time, Mr. Speaker, when we are facing unemployment in our machinery and equipment industries and when this equipment is to be paid for by the American taxpayer with American funds. Right now the United States Army engineers are considering a bid from Japan for the purchase of electrical equipment for a dam being built by the American taxpayers at The Dalles in Oregon. If we pay any attention to this recommendation of the Randall Commission the United States Government is certain to become the No. 1 customer of a lot of our neighboring countries at the expense of a great many American workmen and American businesses and at the expense of the American taxpayer.

At this moment I do not have time to expand sufficiently on the matter of foreign procurement of equipment and supplies for Government projects located within the United States. At the next session of the House, however, I intend to go into that problem at greater length.

In the meantime, I wish to thank the distinguished gentleman from West Virginia again for his courtesy in relinquishing time to me.

Mr. BAILEY. I thank the gentleman from California.

Mr. Speaker, I now yield to the distinguished gentleman from Ohio [Mr. SECREST] to discuss the question of pottery and glassware products and other industries in Ohio affected by our trade policy.

Mr. SECREST. Mr. Speaker, I will later have considerable to say about the Randall report, but at this time I want to point out to the House that this past year 330 million pieces of pottery came into this country. That is double the amount that was imported into the United States just 3 years ago. Every year, every month, the amount of pottery being brought into this country increases. It does so because in the potteries of the United States an average wage of \$1.80 per hour is paid. In Japan, which is our largest competitor, the average wage in the pottery industry is less than 15 cents an hour. Seventy percent of all the cost of making pottery and glassware is in the labor, because it is a handmade product.

It is only a question of time until all the pottery the United States uses will be imported from Japan and other countries. The amount of pottery that came in last year would have furnished 8,000 men full employment for 1 year in the United States. One hundred and thirty million pieces of glassware came into the United States. Over half of all the wool that is used in the United States is imported. The farmers are being deprived of what was once a great source of cash income with which they could buy the products of the factories of this country.

Not long ago an advertisement was issued for the purchase of \$450,000 worth of insulators for the Bonneville power project. Those insulators were bought with money raised from the taxpayers here in the United States. The potteries and the glass factories in my district, the farmers all over the Nation, and others who were having their markets at home destroyed by cheap foreign products, paid the taxes to buy the insulators at Bonneville, and the contract was let to a firm in Japan. Their own money was used to purchase the products to drive themselves out of business.

I do not think that any of us are unfair who advocate more protection for segments of our industry in this country that are being unduly punished by the present trade agreement program. We do not want to stop foreign trade but we want quotas or tariffs such as will guarantee to our producers a reasonable and a fair share of the market in the United States. Unless something is done, it is only a matter of time until hundreds of commodities like watches and pottery and glass and all of these things will be produced solely outside of the United States. Many of them will have an adverse effect on the defense of this Nation. It was upon the watchmakers trained in our country that we depended for the people necessary to make the Norden bombsight and other

devices used in World War II, without which our conduct of the war would seriously have been affected. So we do ask and hope that in this session of Congress we can get reasonable protection for the people we represent and what we consider to be in the long run the best interests of the United States.

Mr. BAILEY. I thank the gentleman from Ohio. Mr. Speaker, at this time I note the presence on the floor of the gentleman from Oklahoma [Mr. STEED] to whom I now yield so that he may discuss the effects upon the independent oil industry of the State of Oklahoma and the Southwest.

Mr. STEED. Mr. Speaker, since I represent one of the largest oil-producing areas in the United States, and perhaps represent more independent oil men than any other Member of the House, I feel compelled from time to time to do what I can to bring to the House information which affects this most vital industry. As you will recall, we tried last year in the Simpson bill to bring some protection and relief to this industry against conditions that have been growing steadily worse for the last 2 or 3 years. We were unsuccessful in that effort, but conditions in the oil industry have not improved. As I view it, the effects of the Randall Commission report and its impact on the oil industry will become even worse, probably to the extent of wrecking a great segment of the domestic oil industry in this country.

The foreign trade policy of the United States has been a subject of much discussion recently. It is a subject of vital concern to many domestic industries and to the United States as a whole. Industries with large exportable surpluses naturally advocate complete free trade and the removal of all possible trade barriers so they might develop and expand their export markets.

Such a policy, however, can have serious repercussions here at home. Many industries have already been injured by excessive imports from foreign sources.

The petroleum industry, for example, has been plagued in its postwar expansion efforts by constantly increasing imports which have absorbed a larger and larger share of the domestic market. Oil imports have increased from an average of 377,000 barrels daily in 1946, to about 1,050,000 barrels daily during 1953. In 1946, imports provided 7.1 percent of the total United States demand. Preliminary figures indicate that during 1953, imports supplied about 13 percent of our total petroleum demand. Thus far in 1954 the average is around 1,150,000 barrels daily. In other words, the United States petroleum industry, during this short period of time, lost a substantial portion of its total market outlet. A continuation of this trend could lead only to a weakened domestic industry incapable of supplying the Nation's needs in the event of an emergency.

The argument is often used that by importing vast quantities of oil from foreign areas we provide purchasing power in those foreign countries which, in turn used to purchase American goods, thus stimulating our export market. Actually, there is no direct rela-

tionship between the trend in oil imports from the principal foreign countries which export oil to the United States and our exports of other products to them. For example, more than 90 percent of our oil imports come from Venezuela, Netherlands West Indies, and the two Middle East countries, Kuwait and Saudi Arabia. Since 1948, the total value of United States oil imports from these four countries increased 62 percent, while the total value of United States exports other than petroleum to them, actually declined 5 percent.

That foreign oil is of little value in time of war is best illustrated by our experience during World War II. During 1942, a year in which we could have used some foreign oil, we were able to bring in less than 100,000 barrels a day from such nearby sources as Venezuela and the Netherlands West Indies because of the enemy submarine menace.

Today we are becoming increasingly dependent on oil from sources much farther away. In addition, we are approaching a period when atom-powered submarines with almost unlimited ranges and armed with atomic torpedoes will create a far worse situation than we experienced during World War II. Also, we are helping develop oil resources in countries much nearer the Iron Curtain than they are to us. The Middle East, for example, with vast oil reserves is directly adjacent to the Soviet Union.

It is the duty and obligation of this Congress to see that the trend of increasing dependence on foreign oil from unreliable sources farther and farther away, is reversed and that a policy of encouragement to our domestic industry is adopted.

Mr. BAILEY. Mr. Speaker, I thank the gentleman from Oklahoma. I note the presence on the floor of my colleague the gentleman from West Virginia [Mr. BYRD], and I yield to the gentleman at this time to give his reaction of what it is doing to the coal industry in the State of West Virginia.

Mr. BYRD. Mr. Speaker, I, too, have studied the report of the Commission on Foreign Economic Policy. My first impression, in studying the report, was that an entire section was missing, because I found no reference to the disturbing problems which are confronting the coal industry and which are consequent to the lack of adequate safeguards in our present trade policies. However, upon reading the joint statement of dissent by Mr. REED and Mr. SIMPSON, beginning on page 99, it was easy to understand why such material had not been included; and, in this regard, the words by these two gentlemen are astonishing:

Witnesses in the United States were allowed 2 days for appearance; those appearing at private hearings in Europe, whose primary interest was to obtain help for foreign countries, were allowed 4 days. . . . There is no evidence in the report of serious consideration of the exhaustive studies prepared and submitted by many affected domestic industries. Spokesmen for industries vitally affected were not permitted to testify.

I am amazed at this fact. Spokesmen for domestic industries, and for whom this report holds the greatest significance, were not allowed to testify.



I am amazed that the report gives no recognition to the subject of so great concern as was expressed and discussed by many Members of this House during the 1st session of the 83d Congress with reference to the disastrous effect which uncontrolled imports of residual oil are bringing to bear upon the coal industry in this country. I am chagrined to find that the sincere pleas which were uttered by Representatives from distressed areas have been ignored. Certainly, some effort could have been made to witness and study the undesirable conditions that are being created in the coalfields by the unregulated imports of foreign oil; especially would one have considered such a study to be warranted and justified in the light of the expressed words of the creative act, to wit:

The Commission is directed to examine, study, and report on the subjects of international trade and its enlargement consistent with a sound domestic economy.

How can the Commission recommend the extension and expansion of certain existing trade policies in the face of storm warnings which indicate that such policies are incommensurate and incompatible with the building and maintenance of a sound domestic economy?

I do not criticize the Commission for conducting private hearings in Europe if it saw fit to do so; nor do I wish to be misunderstood in my appraisal of the Commission's efforts in any way. I am confident that all of its members were sincere and conscientious in their approach to the problem; but I am disappointed that, with 3 months remaining in which to submit its recommendations, the Commission report was "frozen," and the Commission failed to hold hearings in the coalfields of West Virginia and some of the other States, thus giving spokesmen of the coal industry and other affected industries an opportunity to be heard.

If the welfare of the free world—which seems to be so important, and with which thought I do not disagree—is dependent upon a healthy economy in this country, I should think that the Commission would have looked first at the unhealthy conditions which are threatening that economy, and to which many of us have been calling attention over the past several months.

The report advocates sacrifices by the United States in the field of trade; yet, the report admits that other countries, on the whole, resort to the use of quotas and high tariffs more than does our own country—to say nothing of exchange controls and other devices employed by these countries against us. It would seem to me that America has made enough sacrifices. It has lowered tariffs to the extent that over half of its imports are duty free. Surely the time has come when we must take cognizance of the signs of strain and overwear in our own economic garment before proceeding further in our efforts to clothe the rest of the world with prosperity. If hearings must be held in Europe, that is all well and good, but let us not turn a deaf ear to the protestations of our own people and our own industries.

A few days ago, I extended in the CONGRESSIONAL RECORD a report from the

West Virginia Department of Mines which revealed that 170 coal mines closed in West Virginia last year, and that the number of employed coal miners had receded from 125,669 in 1948 to 85,490 as of December 1953. This intolerable situation is not unique in that it is confined to West Virginia. The same situation exists in a greater or less degree in other coal mining areas over the country.

Only last week one of the newspapers in my district reported that over 3,000 families were in immediate need of food in my own county and the adjoining area. I immediately contacted the direct distribution branch of the Agricultural Marketing Service and was promised by the chief that aid would be given in fulfilling the food needs of these families by supplying them from the Federal Government's stocks of food surplus. But this figure does not constitute the total number of families in West Virginia or the United States who have been thrown out of work during the last year; nor is the agreement by the United States Department of Agriculture to assist in feeding these unemployed families the answer to the problem. These families do not want to go on receiving a handout; neither do they want sympathy. They want jobs.

The Randall report implies that American workmen who have become unemployed because of import competition should migrate to other areas and seek new fields of employment, and that affected industries should diversify existing business or convert to new activities of production. How can displaced coal miners, many of whom are past 45 years of age, expect to find new employment elsewhere? Is it fair to ask other industries and other citizens to absorb these displaced workers? How can the coal industry be converted to the basic production of anything other than coal? Can butter, bombsights, or overalls be extracted from a coal mine? No, the coal industry must produce coal. The Federal Government last year acted to discourage the development of processes whereby synthetic fuels and other products might be derived from coal.

Mr. Speaker, the time will soon come when we shall again be asked to extend the provisions of the Reciprocal Trade Agreements Act for an additional period of time. I hope that, when that moment comes, this Congress will fulfill its responsibility toward the people and the industries of our own country by creating adequate safeguards in our trade policies for their protection. I am not an isolationist, but I do plead guilty to being concerned more about the welfare of the United States than about that of any other nation, however friendly it may be. Spokesmen for the vested interests in Europe have been given the opportunity to be heard. Our own people—those most affected—have been denied the same opportunity. I think this is undemocratic, and I think it is wrong. I cannot imagine that any jury in this country would attempt to render a decision or make recommendations to the court without first hearing both sides of the case. The same principle is involved here.

There is a philosophy in this country which has been quite popular for many years. It is one which espouses the belief that we should spread our wealth throughout the islands and the continents of the earth in an effort to raise the living standards of other peoples. I am one who believes that the time has come when we must listen to the cries of our own people. I hear them in the morning, and I hear them at night; I hear them in the streets and thoroughfares, and I hear their echoes in my dreams. I hear the pleas of unemployed working men asking for jobs wherewith to feed their children. These are the owners of industry who have made America a colossus of economic strength, and a refuge of succor and comfort for the peoples of other lands. These are the same men whose feet have blazed paths across the mountains and through the valleys founding the sites for cities of greatness. Theirs are the hands that have dredged America's harbors and rivers, built her factories, hewed her forests, and worked in her mines. Theirs are the sons who have given their lives that America and other nations might be free. These are Americans—men of every race; to them we owe our responsibility. They are the men whose courage knows no royal overseer. They are the men whose strength knows no economic or political bounds. They are the men whose ingenuity knows no limits. They are the men whose vision and whose dreams have built the land of the free and the home of the brave, and they are the men upon whose shoulders rests the hope of the freedom-loving peoples of the world.

Not gold, but only men can make a nation great and strong;

Men who for truth and honor's sake stand fast and labor long;

Real men who work while others sleep, who dare while others fly;

They build a nation's pillars deep, and lift them to the sky.

Mr. Speaker, let us not be recreant in our duty toward America and her peoples—first, last, and all the time.

Mr. BAILEY. I thank the distinguished gentleman from West Virginia.

Mr. Speaker, I have some 2 or 3 minutes' time to place at the disposal of the distinguished gentleman from Texas [Mr. FISHER]. I now yield to the gentleman from Texas.

Mr. FISHER. Mr. Speaker, I thank the distinguished gentleman from West Virginia.

Mr. Speaker, the Randall Commission report was only recently issued. It is rather lengthy; I have not had an opportunity to study and analyze its contents. I assume it contains many constructive findings and recommendations; at the same time my impression is that it also contains certain weaknesses and defects that are quite obvious. In approaching any phase of international trade it is obviously important to consider the policies of foreign countries as well as our own. Any trade is a two-way proposition.

The report does not dwell upon certain trade restrictions and obstruction policies of foreign countries with which we trade. Many of them engage in mul-

tilateral exchange manipulations, in currency controls, and various other practices which have more to do with burdening international trade than does the tariff. In the case of wool, with which I am somewhat familiar, there was a reduction in the tariff of 25 percent a few years ago, from 34 cents per clean pound down to 25½ cents. That fact alone discouraged the wool grower. Many turned to cattle and other uses of their land. Within around 10 years the sheep population dropped from 48 million down to only 28 million. And yet the wool industry is officially recognized as strategic, not only in time of war but also in time of peace.

If a further reduction should take place in this protection to our domestic wool industry, you can understand what would happen.

It seems to me that before foreign countries can complain about our tariff policies, they should get their own houses in order. Actually the United States is a low-tariff nation as compared with all the major countries of the world. We have fewer trade restrictions. If there are adjustments that can properly be made, then well and good. But let us first examine the trade policies of the country involved, compare them with our own, and then determine the effect such an adjustment may have on a particular industry.

Mr. BAILEY. I thank the gentleman from Texas. Mr. Speaker, in order that this program may be kept strictly non-partisan and in order that we may have bipartisan representation, it is my pleasure to yield to the distinguished gentleman from California [Mr. HUNTER], who has a number of Members of the majority party here who would like to express their grievance on this report.

Mr. HUNTER. Mr. Speaker, I thank the gentleman from West Virginia for making available this time. There are a number of Members here who wish to speak on the matter and because the time is short I am going to make my own remarks rather brief.

Mr. Speaker, I wish to take this opportunity to comment briefly on the statements and recommendations of the Commission on Foreign Economic Policy with respect to United States tariff policy. The principal proposal of the Commission in this regard, of course, is that the United States further lower its tariffs on imported goods as part of a bold program for exerting American leadership in stimulating foreign trade.

With this recommendation I do not agree. I do not agree because I believe that it would have adverse effects on our domestic economy which would more than offset the advantages to be gained from what increase in international trade might result. This anticipated increase is grossly exaggerated.

Unfortunately, the free traders have been selling a lot of people in this country a bill of goods. They offer tariff reduction as a panacea for most of all of our economic ills. Not only is continued prosperity dependent upon elimination of tariffs, they claim, but peace itself. History does not indicate anything approximating a direct correlation between free trade and peace, or putting

it the other way, between protectionism and war.

But what is most questionable about the free traders' activity is that their arguments are so frequently self-serving. They all have something they want to sell abroad and they figure they will have a better chance of doing so if tariffs are reduced or eliminated. If a domestic industry is harmed or destroyed in the process that is too bad, but it cannot be helped. To soften the blow, they suggest that the injured party have his day in court and seek damages, or have his way paid to school so that he can learn to do something else.

Anyone who defends tariffs as a national policy is immediately labeled by the free traders as a protectionist. As if that were not a bad enough word, he is further described as an isolationist and as living in the dark ages as far as economic thought is concerned.

Now I happen to think that tariffs often serve a useful purpose. I believe they can protect American consumers, as well as producers. And I do not think so because I represent a district which is made up of protected industries. Far from it. The district is basically agricultural. The number one cash crop is cotton—and cotton is often associated with the free trade theory. On the other hand, there is a large dairy industry, and the dairy industry, at least the cheese producers, are interested in protection from foreign imports. The milk producers, however, are interested in finding a home abroad for surplus milk in dehydrated form.

The grape industry represents a paradox. Raisins and to some extent, grapes, are exported. To that degree the industry is inclined toward the free trade theory. On the other hand, a large part of the grape production goes into wine, and the American wine industry in order to survive must have protection against foreign imports.

A good example of why tariffs are needed is the plight of the dried fig industry. It is a small industry—over 90 percent located in one congressional district and that happens to be the one which I have the privilege of representing. There are only about 300 growers in the business, so they certainly do not constitute a pressure group. But they are American citizens and entitled to fair treatment by the Government.

The California fig industry was actually stimulated by the United States Government—the Department of Agriculture. Farmers in the San Joaquin Valley were encouraged to plant fig trees. The soil and climate were particularly favorable and there was a market in the United States for dried figs. Consequently a fig industry was born, and still survives, although not as large as it once was—due in large measure to foreign competition and lack of adequate tariff protection. As a matter of fact, what little tariff protection which had been afforded was cut in half, and only recently restored in part by action of the Tariff Commission.

Now these fig growers would like to stay in business if they can. They do not want to put up their trees, even if they have the right to go into court and de-

mand damages. They do not even object to competition if it is reasonable and fair. They do not ask for a complete embargo on foreign figs. They are willing that foreign producers be allowed a reasonable share of the market.

They do ask, however, that their foreign competitors be subject to the same ground rules, or be handicapped, so to speak, to an equivalent extent through imposition of a tariff or a quota.

The California fig industry operates under a State marketing order. Each grower is assessed so much a ton for the purpose of carrying on a program of scientific research aimed at improvement of quality and discovery of new uses for the product. An advertising and marketing program is also carried on so as to stimulate and increase consumption.

The industry is subject to rigid inspection to insure a sanitary and healthful product.

In order to prevent overloading of the market, and also to insure a high standard of quality, a portion of the crop is diverted for other than human consumption.

All of this, of course, costs the growers money which must be added to the ordinary costs of doing business, such as labor for producing, harvesting, and packing.

What then are the conditions under which the foreign competitors operate? Greece and Turkey are the two major sources of foreign figs. In the first place, the cost of labor is nowhere near comparable. Labor costs in Greece and Turkey are far less. There is no research or advertising program for which these foreign producers are assessed. They profit by the advertising program carried on by American growers but they pay no part of it. They are not required under any marketing order to divert a portion of their crop. They do nothing to keep a stable flow of the product into the market. That is one of the worst aspects of foreign competition in this field. American fig growers are never sure how much and when and at what price foreign figs are going to be placed on the American market. This naturally makes for unstable prices and marketing conditions.

Furthermore, foreign figs are not subject to the same requirements with respect to health and sanitation. Despite the efforts of the Pure Food and Drug Administration—which parenthetically may I say, are not effective, and it is more than lack of funds that is responsible—imported figs are placed on the market here in the United States that contain an amazing amount and variety of foreign matter—they are truly foreign imports—including animal hair, sugar mites, and so forth.

On top of all this, as if the American fig grower was not already at a sufficient disadvantage, foreign currencies fluctuate violently—last year the Greek drachma was devalued 50 percent—which makes a tariff rate based on weight almost totally ineffective. And to add insult to injury, the American fig grower is being taxed along with the rest of us to provide foreign-aid money with which to improve and develop fig production abroad. Actually he is being



forced to pay for his own possible extinction.

From what has been said, I hope it is clear that if the American fig industry is to survive, it will have to have protection either in the form of an adequate tariff or some system of quotas on foreign imports. It is well and good to expound on the free trade economic maxim that each nation should produce that which it is best fitted economically to produce and the respective products then be exchanged. The free traders lose sight of the fact, however, that this theory to be at all plausible, must assume certain incident conditions to be equal. Here as I have pointed out in the case of figs, such conditions are not equal. Let the Greek producer pay similar wages, maintain similar working conditions, contribute to a research and advertising program, maintain equal standards of sanitation and quality, and turn over a part of his crop to a diversion program. And then last but not least, let his Government maintain a stable currency and a realistic exchange rate. When all that is done, it will be soon enough to talk about free trade.

Many people wonder why I concern myself with such a relatively small and insignificant industry as the fig industry. The question answers itself. Because it is such a small industry it is in dire need of help. The tree nut industry is in much the same situation. Like a number of other small industries, they get traded away at the trade conferences. The larger industries have sufficient influence to make sure that they are protected in one way or another. This is even true of agricultural commodities.

Both wheat and flour are not only protected by a duty but by an absolute and inflexible import quota, imposed under section 22 of the Agricultural Adjustment Act.

The duty on wheat was reduced from 42 cents per bushel to 21 cents and wheat flour from \$1.04 per 100 pounds to 52 cents under the trade agreements program.

However, only 800,000 bushels of wheat may be imported annually under the quota, or only about one-tenth of 1 percent of our domestic crop. Also only 4 million pounds of wheat flour may be imported annually. This is equal to about one-fiftieth of 1 percent of the flour produced in this country. In addition wheat has been subsidized under the International Wheat Agreement to the extent of more than \$600 million in the past 4 years. But for the rigid quotas on wheat and wheat flour, Canada would ship in millions of bushels of wheat and millions of pounds of wheat flour.

Cotton is also protected by import quotas under section 22 of the Agricultural Adjustment Act. Imports are restricted to less than 1 percent of our domestic production. The world price of cotton is below the domestic price and will probably go lower as world production increases. You can be sure that American cotton producers are not going to stand idly by and see their own market taken away from them.

Under the Sugar Act of 1948, imports of sugar are determined on the basis of allocation which assures domestic producers a definite tonnage each year. While a duty is also levied on imported sugar, the real protection is provided by the quota system. If it were not for this system the American market would be flooded with imported cane sugar, and the domestic sugar producers would soon become ardent protectionists.

The domestic tobacco industry is protected by an ingenious device. The exportation of tobacco seeds is absolutely prohibited. That obstructs the development of production of American varieties of tobacco abroad and hence serves to eliminate competition.

Detroit, the home of the automobile industry, has produced outstanding supporters of the free-trade theory. I find them rather inconsistent, however; last year, after hearing a great deal from that area about eliminating all tariffs, I introduced a bill to remove the 10-percent ad valorem on foreign automobiles, which I discovered had been in effect without change during the last 20 years, while tariffs on agricultural commodities had been reduced by more than half. There has been a strange silence with respect to this bill. Apparently the wrong ox is being gored.

Another disturbing feature of the Commission's report is the conclusion that America must embark on some kind of bold program of tariff reduction and thus influence the rest of the world to do likewise. It might be well to recall that America embarked on such a program over 20 years ago. We have reduced our tariff rates very considerably. As a matter of fact, we are today a free-trade Nation by comparison. What has happened elsewhere? Instead of following our lead, other countries of the world have moved in the opposite direction. World trade today is bogged down in a maze of import licenses, quotas, currency restrictions, and exchange manipulations, not to mention the common garden variety of tariffs. I was surprised at some of the things I discovered while abroad during adjournment. Belgium is heralded as a low-tariff nation, which is true. But, what they do not do with quotas and embargoes. For example, Belgium raises grapes under glass—an expensive hothouse culture. This industry is protected by an absolute prohibition against the importation of grapes.

Belgium also has what is called a quota calendar. To illustrate, when domestic apples are being harvested and on the market, foreign apples are not allowed to be imported.

In concluding my remarks, which at the outset were intended to be confined to a few brief comments, let me say that the elimination of what is left of our tariff structure is not going to bring about world prosperity or a reform in the trade practices of our fellow nations. Failure of foreign countries to sell more in the American market has other causes than tariffs. It is due, to a great extent, to the fact that many of their products we just do not want to buy, tariff or no tariff.

Furthermore, it would appear that the answer to our own economic dilemma

is not merely to try to absorb enough imports to balance off what various segments of our economy would prefer to export, but to convert our national-productive capacity to the production of things which can be absorbed in our own domestic market. The demand is unlimited, provided the right articles are offered. We are, in effect, seeking to perpetuate a wartime economy when we are no longer at war—at least an all-out shooting war. That has involved tremendous exports to our friends and allies, most of which has never been paid for. What we have been and are doing is to export our resources with no return in kind. It is not in our country's best interests to continue this arrangement forever. The Commission is right. The permanent answer to the problem of the unbalance of trade is not to give away the difference.

Mr. Speaker, I now yield to the gentleman from Pennsylvania [Mr. Saylor].

Mr. Saylor. Mr. Speaker, I appreciate the gentleman's courtesy and I want to congratulate him and the gentleman from West Virginia on taking an active part in criticizing this report which I believe is entirely biased and unfair.

Mr. Speaker, I consider the Randall Commission report an affront to the 161 Members of the House who supported the Simpson bill in the closing days of the last session of this Congress. To the many others of our colleagues who withheld their support on the assumption that the Commission's recommendations would include consideration for United States industries and workers seriously injured by unfair foreign competition, the report will be equally repugnant.

As representative of a district that has suffered severely from excessive imports of residual oil, I strongly resent the Commission's failure to give recognition to this problem. Were it not for the promise that the gentleman from New York [Mr. Reed] and the gentleman from Pennsylvania [Mr. Simpson] will submit a substitute foreign-trade policy program, and for the sincere efforts of other individual members of the group who were adamant in dissenting from many of the recommendations in this dismal document, I would suggest the Randall "Omission" as a more appropriate name for this committee.

Briefly let me say that while the Commission's conclusions would obviously implement the havoc that is being imported from foreign refineries, by inference and omission it has in actuality established a consent case for coal. I call your attention to page 43, in which a number of metals and minerals are specifically pointed out as evidence of United States dependence upon foreign sources for raw materials. You see no mention of residual oil in this list. It is not there because even the most naive member of the Commission recognizes that there is not and will not be any need whatsoever for importing large quantities of residual oil into this country. Foreign residual oil serves almost exclusively as a substitute for American-produced coal in our fuel markets, and there is enough coal within our borders to last for a thousand years.

On page 44 is this recommendation:

Also our tariff policy toward the needed materials should be such as to offer them reasonably easy access to the United States market.

No one will take issue with that suggestion, nor should it require months of study to reach such a manifest opinion. It is only logical that we encourage in every way possible the importation of materials essential to the welfare of this country, but I commend your attention to the fact that there is no relationship between needed materials and foreign residual oil.

It is also important that, while the Commission utilizes almost 100 typewritten pages to ignore the miners, railroads, and businessmen in coal areas whose economy has been damaged by residual oil imports, it inadvertently disposes of the extremists who—by advocating destruction of all protective trade barriers—have loudly protested the quota which we recommend. These quotations from the report—"free trade is not possible under the conditions facing the United States today" and "completely free trade is not feasible"—should provide a final answer to that vociferous cell of so-called economists who have persisted in promoting the most dangerous of all trade theories.

Everything considered, perhaps our best course would be to accept this report for what it is, a hodgepodge of vague and platitudinous piffle that may appeal to the palates of international dreamers but can contribute nothing toward the welfare and security of this Nation.

It should remind us of the wisdom of those who drew up the articles of the Constitution, for it was they who specified that Congress shall have the power to regulate commerce with foreign nations. Remembering this function, we must now recover this prerogative from the world meddlers and once again provide by law the protection needed by American industries and American workers against cheap foreign products.

Mr. HUNTER. Mr. Speaker, with permission of the gentleman from West Virginia, who has control of the time, I would like to yield to the gentleman from Utah [Mr. DAWSON], who will make some remarks on the subjects of lead and zinc and wool as affected by the United States tariff policy.

Mr. DAWSON of Utah. Mr. Speaker, as a Representative of an area much concerned with the future of lead and zinc mining, I must register my disagreement with the report rendered by the President's Commission of Foreign Economic Policy.

There is nothing contained in that report than can lend encouragement to this industry which has been beleaguered for almost 2 years by rising unemployment and declining prices. There is nothing at the heart of this problem but a mounting flood of imports of these metals at prices which can hardly be characterized as short of dumping. It has been freely conceded by foreign producers, and evidence of this was presented to the Commission, that even foreign production at present prices is unprofitable. In the United States last year we produced less zinc than we have

in any year since before World War II when our consumption was at an all-time high.

Trade barriers of various types used by other countries prohibited worldwide surpluses of those metals from being sold any place other than in the United States. Our tariffs presented no barrier to the great volume of imports and were so low that they gave but little support to metal prices, which plunged downward under the impact of the flood.

Most small mines closed shortly after the drastic price drops began. The larger mines have continued operating at break-even or loss figures, rather than to shut down and risk the loss of mine workings and ore reserves.

In 1951, 9 of the 11 Western States produced 635,000 tons of lead and zinc—60 percent of the Nation's total production—worth \$206 million.

Nineteen hundred and fifty-three production dropped to 482,000 tons of lead and zinc, worth \$100 million. This was less than half the worth of 1951 production. The decreased worth reflects both production loss and decreased prices.

A large portion of the decrease in worth of the metals represents a loss to the economic blood stream of the community. The workman, the retailer, wholesaler, farmer, railroader, trucker, service dealer, tax collector, and stockholder collectively bear the entire loss.

Utah's share of the loss in worth of metal production is \$10,120,000, comparing 1953 to 1951.

The tax loss to the State of Utah on direct mine taxes—net proceeds, mine occupation, and corporate franchise—will be between \$150,000 and \$200,000. The loss on State taxes derived from the circulation of \$10 million in wages and purchasing power is difficult to evaluate but will be very substantial.

Proponents of free trade, of saving our metals by importing from foreign sources, buying at the cheapest possible source, and so forth, forget or willfully overlook several facts discussed in the following paragraphs:

The dollars spent for domestic mine production are effective to their full value in our economic blood stream. It is questionable that more than a small portion of the dollar spent for foreign metals returns to circulation here. The few cents per pound saved by buying foreign metal, say by the automobile industry, undoubtedly will cost them more than the saving made, through inability to sell cars in the domestic areas suffering the loss of income.

Once closed down, mines would take years and tremendous sums to reopen. This Nation could not disarm more effectively than to lose its power to produce metals in an emergency.

Utah lost \$10 million last year and the Western States lost \$100 million through failure to properly protect the lead-zinc industry. If present conditions continue more mines will be forced to close, the economy of the West will bear further serious losses, our security will be further jeopardized, and the Nation will have witnessed the completion of a disarming program advocated by none other than the agents of Russia.

If I understand the Randall report, its recommendations amount to the subordination of our domestic interests to a foreign trade policy that is based on fallacious hopes. For the past 20 years, we have steadily reduced our tariffs until we are today one of the low tariff countries. But other nations have not followed our example. They use not only tariffs but quotas, import licenses, multiple exchange rates, and many other devices to stifle trade. The world now is a trade jungle.

I do not believe that we can accept such a report when the policies it advocates have already brought ruin to the domestic lead and zinc industry. The absolute requirement of our Nation for a domestic supply of these metals is above doubt. Yet this supply source is being systematically destroyed by unfair foreign competition which has tremendous advantages in labor and other costs.

It would not seem that we would so soon forget the lessons of the war years when circumstances required the immediate expansion of our domestic supply of these and other critical materials. This need may arise again. We must preserve our domestic supply of these metals, and we cannot do that if we let the industries which mine them perish.

It is difficult to reconcile the thinking in this report with the evident concern about the lead and zinc industry shown by a Select Committee of the House on Small Business, and also by a conference of western governors who requested congressional action to stop the ruinous flood of imports of these materials, and similar sentiments registered by the House Ways and Means Committee—all in the year 1953.

The wool growers of my district are in a similar plight because of imports. As a matter of national concern, I must point out the dangerous decline in the size of the flocks in the United States. A loss of some 45 percent in sheep population in the course of 10 years is reflected also in the figures which show a reduction from about 500,000 to 285,000 in the number of American farms raising sheep.

If we do not make wool growing more attractive to the domestic producers the industry will perish.

There is no future for either of these industries under the recommendations of the Randall Commission. I had, I confess, little hope for this report before it was issued, but I find even less to encourage me after its issuance. There is nothing to do now but for this body to reassert its control over foreign commerce.

Mr. HUNTER. Mr. Speaker, I notice that the gentleman from Oklahoma [Mr. EDMONDSON], who sought time previously, is still here, and I know that his remarks on this subject will be well received by the Members of this body. At this time I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Speaker, I want to thank the gentleman from California [Mr. HUNTER], and also the gentleman from West Virginia [Mr. BAILEY], for this opportunity to say a word on behalf of the miners, the smelter workers, the mine and smelter operators, the supply houses and the related mine



equipment industries which all tie into the great lead and zinc mining industry of the tri-State area, a great portion of which is located in the Second District of Oklahoma.

Mr. Speaker, it has been a concern of mine ever since coming to this House last January to witness the deterioration and the destruction of the lead and zinc mining industry of the tri-State area. There can be no question about the fact that this is a direct result of the mounting imports which have greatly increased during the past several years. Nineteen fifty-two broke all records for imports of zinc. Nineteen fifty-three, the first 6 months, showed a 245-percent increase over the first 6 months of 1952. So, imports continue to mount while more and more men become unemployed in this industry.

I was interested in hearing the figures given by the gentleman from Utah [Mr. Dawson] a few moments ago when he told about unemployment and the decreased production in his area in 1953. Let me put into the Record here just a couple of very salient facts concerning the lead and zinc industry of the tri-State area. The number of mines operating in the tri-State field in November dropped from about 150 in the first part of 1952 to approximately 20 in November of 1953, directly as a result of foreign competition, according to the head of the Tri-State Lead and Zinc Ore Producers Association, Mr. Harold Childress. Imports of lead and zinc metals produced at a much lower cost than the American metals have depressed the American market to the extent that most operators cannot make a profit on the mining operation.

Here are some figures on production: production of lead and zinc concentrates in the tri-State district has dropped materially during this same period of 1952-1953. The production of zinc concentrates in the early part of 1952 averaged about 15,000 tons a month in this district as compared to about 4,000 tons a month at the present time.

As for lead concentrates, production of 3,000 to 4,000 tons a month in early 1952 has dropped to about 500 tons a month in November of 1953.

The situation is serious. The President of the United States has acknowledged the seriousness of the situation. The Secretary of the Interior has acknowledged the seriousness of the situation. We will not have a gun to fire any kind of ammunition at the enemy if we do not maintain our lead and zinc supply in this country. It seems to me imperative that something should be done about it. Certainly the Randall Commission has done nothing constructive. Other Members have made reference to the problems regarding coal and oil production. Oklahoma is being hit from several directions. It seems to be a special target of adversity in the situation on imports that obtains today. I sincerely hope the House will do something constructive, and that it will not be along the line of the recommendations of the Randall Commission in connection with zinc and lead.

Mr. HUNTER. Mr. Speaker, I notice there is now on the floor the gentleman

from California [Mr. Urr], who is a member of the Committee on Ways and Means, and who desires to speak on this subject.

Mr. UTT. Mr. Speaker, I have just struggled through the report of the Commission on Foreign Economic Policy. The Commission, I regret to report, is suffering an evident case of split personality. Its conclusions and its recommendations are at such complete variance that I wonder if this report is not a first draft—made public by one of the leaks for which Washington is so famous.

On the subject of tariff rates and customs administration, the Commission admits that "no other single field produced such directly divergent statements of alleged fact, so many shades of opinion, or such diversity of recommendation."

This diversity of opinion must have been contagious. The report rambles between dissent and contradiction, and ignores the facts which the Commission itself had assembled.

The Commission makes a good case for abandoning the reciprocal trade program which the United States has carried on for the past 20 years. The United States is no longer a high tariff country, this the Commission concedes; exports and imports are now in approximate balance and increased foreign gold reserves have virtually closed the dollar gap; the importance of tariff reductions has been greatly overemphasized while other countries bind the United States with quotas, currency controls, and other hindrances to trade; and free trade is impossible as long as Russia threatens Communist aggression around the world.

But having drawn these conclusions, the Commission turns its back on the facts and recommends a 3-year extension of the President's authority to negotiate new trade agreements and would give him authority to drastically reduce existing tariff rates. The Commission recommends retention of the escape clause and peril-point provisions, but wants expressly spelled out the fact that the President is authorized to disregard findings whenever he finds the national interest of the United States requires it. The Commission would repeal the laws giving preference to our merchant fleet in the shipment of Government-owned and Government-financed cargoes, and would amend the Buy American Act.

The Commission not only ignored its own conclusions in making these recommendations, it turned its back on the hardships that low-cost import competition is already imposing upon American labor, industry, and agriculture.

On the Pacific coast, the tuna-fishing industry is static while the Japanese industry is expanding, with an eye on growing United States consumption of tuna.

Growers, processors, and workers in the fig, walnut, and almond industries see cheap imports cutting into their markets. The wool and beef cattle industries are at an unfair disadvantage because their foreign competitors benefit from lower wage costs, subsidies, and dumping support from their governments. The west coast shipbuilding in-

dustry is decaying and the skills of the workers are being lost, while we read advertisements from Japanese shipyards in American nautical magazines.

These are some of the realities the Randall Commission has ignored. Instead of proposing measures to correct them, the Commission has proposed new one-way concessions which would compound the injuries already inflicted. The real need is to protect vital domestic industries from this low-cost, cheap-labor competition.

Mr. HUNTER. Mr. Speaker, there is also present a gentleman from the northern part of the State of California [Mr. Scudder], who would like to speak on this subject.

Mr. SCUDDER. Mr. Speaker, I have read with interest the Randall report and I cannot find very much in there encouraging to the economy of the United States. What have we done for the past 20 years but cut tariffs? It is charged that we who espouse the tariff program are for high tariffs. That is not true. There is nothing more false than to say that we, who are trying to protect American industry, are for unreasonable tariffs.

The tariff on wine, a great product of my district, 20 years ago was \$1.50 a gallon. It has been reduced to 37 cents. Tariffs on numerous other commodities throughout the entire country have been likewise reduced. I wish they would stop criticizing us who have fought to protect the American workingman and our American economy as being for high tariffs.

I have here an excerpt from a speech I made last year regarding the tariffs of other countries. I quoted from the statement of "Casey" J. M. Jones, executive secretary of the National Wool Growers Association, in an article appearing in the California Farmer, to the effect that we are one of the lowest, if not the lowest, tariff countries in the world. The average rate applying to tariffs collected on all imports coming into the United States is about 5.5 percent. In Canada it is 10.2 percent; in Italy, 11 percent; in the United Kingdom, 11 percent; in France, 11.2 percent; in Australia, 17.1 percent; in Mexico, 22.5 percent, and in India, 25.3 percent.

I do not see where we are ever going to sustain our economy if we continuously give foreign countries, with which we are trading, the benefit every time we make a trade agreement.

I believe we should have at those trade agreement conferences people who are interested in their given commodities. I am told there are people vitally interested who are not permitted to sit in on those conferences, while foreign governments rely on advice from such groups who are permitted to be present.

The plywood industry is presently being endangered by imports. Only 2 years ago the tariff on plywood was reduced 50 percent. Plywood, is an important industry of the United States and has been threatened severely by imports.

We have specialty crops in my district like cherries, hops, fish, wool, butter,

cheese, and meat products. Those products are all being discriminated against. We have been sold down the river through nonreciprocal trade agreements. I think it is time we stop, look, and listen and see if we can revise the philosophy of this report in some way to give our own American economy a square break.

Mr. HUNTER. I thank the gentleman from California for his very fine statement.

Mr. Speaker, I see on the floor of the House the gentleman from West Virginia [Mr. NEAL], who I know is interested in speaking on this subject at this time.

Mr. NEAL. Mr. Speaker, I thank the gentleman for this opportunity to put in my little word. I have been very much interested in this discussion. Coming from West Virginia, as I do, of course, one of the principal things I have been interested in is the coal industry and inasmuch as this has been covered pretty well, I shall not take time to say much more. However, I do want to emphasize this fact. West Virginia depends upon coal and largely upon farming and small industries. All over the State of West Virginia we have chemical plants and glass plants and ceramic plants of one sort or another which manufacture and produce materials which are now largely in competition with foreign products coming into the country. We must recognize this one thing—that wherever you have a little factory, wherever you have a little accumulation of industry or industrial organization around that you build a community. These small industries in building these communities create homeowners and good, substantial citizens and taxpayers who support their government and give the type of support to the community that it needs. Every time we interfere by introducing products in this country in competition with the products of these small industries, we naturally interfere with the labor and employment of that group of individuals, which, in a State like West Virginia, constitutes a very great proportion of the labor in that State. We can look at the whole labor situation. About 16 million are organized. The majority of the 16 million are engaged in the production of materials which ordinarily are produced by your streamlined methods. Inasmuch as that is true, those people constitute, comparatively, a small proportion of the ordinarily employed in this country. The biggest majority are employed by these small industries. It is, therefore, necessary, I think, that anything that is recommended in this report, which I have not had the time to go through, should at least give consideration to the basic things upon which many of the very important segments of our national life depend. I am not able to criticize this report because, as I say, I have not gone into it, but I do recognize there is a great need for a study and a recognition of the rights and privileges of small industries to proceed in a manner which will not only render some profit to themselves but likewise create good employment and make good citizens

through the process of that sort of operation.

Mr. HUNTER. Mr. Speaker, I thank the gentleman. From the adjoining State of Virginia, I notice the presence of the gentleman from Virginia [Mr. WAMPLER], who seeks recognition to speak on this subject of United States tariff policy.

Mr. WAMPLER. Mr. Speaker, may I say I believe the report of the so-called Randall Commission has not been adequate in protecting an industry that is vital to the economy of my district in Virginia. The Commonwealth of Virginia was at one time, and I assume still is, the sixth ranking coal-producing State in the Union. Over 99 percent of the production of the State of Virginia comes from the district I have the honor and the responsibility to represent, the Ninth Congressional District. I think the coal industry is asking of this Congress reasonable protection. I do not think they have ever asked anything except that to which they are entitled—reasonable protection from foreign competition. The coal industry has never received subsidies of any type, and I do not think it is asking for that of this Congress. I have had a chance to travel very extensively through my congressional district during the recess to talk to people from all walks of life and in all economic stations in life. I have talked to coal miners and to owners and operators of coal mines, to railroaders and to independent business people, and everyone who is directly or indirectly affected by coal. I want to report to you today that in my congressional district in Virginia, the economic situation is serious. Unemployment is mounting daily. At one time we had an employment of about 17,000 coal miners. That figure has been cut almost in half. I am aware that the present dilemma in which the coal industry finds itself is the result of a number of causes. But my studies have indicated to me that definitely the importation of cheap foreign residual fuel oil is one of the contributing factors. I think it is incumbent upon this Congress to take the necessary steps to give our basic American industries the protection to which they are entitled.

Mr. HUNTER. I thank the gentleman from Virginia [Mr. WAMPLER]. I notice also the presence on the floor of the gentleman from Kansas [Mr. GEORGE], and am pleased to yield to him at this time.

Mr. GEORGE. Mr. Speaker, coming from a State which is noted for its lead, zinc, coal, and oilfields, and representing the district that has the majority of such fields in our State, I want to say that I have read the Randall report almost in its entirety, and I find it entirely inadequate as far as protecting our marginal industries is concerned.

If anyone can show me how we can increase our employment in this country by destroying our industries in this country, I should be most happy to try to follow their reasoning. I have never had anyone show me how, when we destroy an industry in this country by cheap imports of any kind, we increase

employment in any other industry in our country.

I am happy to join my colleague from Oklahoma, who joins me in the tri-State mining area, in condemning this report. I want to assure the membership that as far as I am concerned I am going to vote to protect American industry and the American workingman in our high-income and high-level economy in this country.

Mr. HUNTER. Mr. Speaker, I thank the gentleman from Kansas, and ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore (Mrs. HARDEN). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HUNTER. I now yield back to the distinguished gentleman from West Virginia [Mr. BAILEY].

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield for a question?

Mr. BAILEY. I am glad to yield to the gentleman.

Mr. SMITH of Wisconsin. As I understand the import of the argument that has been made here this afternoon in opposition to the Randall report, it is that the gentlemen are concerned only with preserving the jobs of American workingmen and preserving American business.

Mr. BAILEY. That is right.

Mr. SMITH of Wisconsin. It has been the American workingman and the American businessman who have created this high standard of living that we have in this country.

Mr. BAILEY. I thank the gentleman for his remarks.

Mr. Speaker, in conclusion, may I say that it is the intention of the group who are critical of the Randall report to continue this policy of giving individual Members of Congress an opportunity to express on the floor of the House their reactions concerning what this report, if it is followed, will do to the industries of their respective States and of the Nation.

Mr. Speaker, I yield back the balance of my time, which is 30 seconds.

#### THE DOG, MAN'S MOST LOYAL FRIEND, NEEDS AND DESERVES YOUR HELP

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, the recent order of the Commissioners of the District of Columbia authorizing the delivery of pets impounded in the District to organizations and institutions for vivisection is receiving the condemnation and opposition of all lovers of animals in my congressional district and I am urging that this proposal of the Commissioners be revoked by them.

The Oregon Humane Society, an outstanding institution in the Nation for the protection of animals, has written



me and I include in these remarks a copy of the letter which is as follows:

OREGON HUMANE SOCIETY,  
Portland, Oreg., January 21, 1954.  
HON. HOMER D. ANGELL,  
Representative, State of Oregon,  
House Office Building,  
Washington, D. C.

HON. MR. ANGELL: The recent order of the Commissioners of the District of Columbia enabling the seizure of pets from the pound has caused quite a bit of consternation among the members of the Oregon Humane Society.

The Oregon Humane Society has always been and will always be utterly and definitely opposed to any animal seizure act and takes this opportunity to express its position and policy along those lines.

As a member of the board of directors of the Oregon Humane Society, you know that time and time again resolutions have been passed that the Oregon Humane Society would cancel its animal control contract with the city of Portland should such an act become law in the State of Oregon.

Will you record yourself as being in opposition to such act, as directed in Washington, D. C.?

Yours truly,

OREGON HUMANE SOCIETY,  
L. E. WILLIAMS, Manager.

Mr. Speaker, I note from the public press that Geoffrey M. Thornett, secretary of the Board of Commissioners, states that the Board officials have received 11,346 letters against this proposal, almost 90 percent of the letters coming from out of the city. In contrast only 881 letters have been received in favor of the order.

I have received many letters from Oregon in opposition to this proposal and none in favor of it. Unquestionably, the reason so many lovers of animals throughout the Nation are wrought up over this order in the District of Columbia is due to the fact that this is the Nation's Capital. It should stand as an example for the rest of the Nation in upholding legislation, not only for humane treatment of dumb animals but for sane and humane legislation in general.

Among the dumb creatures the dog is man's greatest friend. In all literature there is no finer tribute to the dog than that paid by Senator Vest in his short but eloquent eulogy to the dog, which I quote here:

#### SENATOR VEST'S EULOGY TO THE DOG

Senator Vest, of Missouri, was attending court in a country town, and while waiting for the trial of a case in which he was interested, he was urged by the attorneys in a dog case to help them. He was paid a fee of \$250 by the plaintiff. Voluminous evidence was introduced to show that the defendant had shot the dog in malice, while the other evidence went to show that the dog had attacked the defendant. Vest took no part in the trial and was not disposed to speak. The attorneys, however, urged him to make a speech, else their client would not think he had earned his fee. Being thus urged, he arose, scanned the face of each jurymen for a moment and said:

"Gentlemen of the jury, the best friend a man has in the world may turn against him and become his enemy. His son or daughter that he has reared with loving care may prove ungrateful. Those who are nearest and dearest to us, those whom we trust with our happiness and our good name may become traitors to their faith. The money that a man has he may lose. It flies away from him, perhaps, when he needs it most.

A man's reputation may be sacrificed in a moment of ill-considered action. The people who are prone to fall on their knees to do us honor when success is with us may be the first to throw the stone of malice when failure settles its cloud upon our heads. The one absolutely unselfish friend that man can have in this selfish world, the one that never deserts him, the one that never proves ungrateful or treacherous, is his dog. A man's dog stands by him in prosperity and poverty, in health and sickness. He will sleep on the cold ground where the wintry winds blow and the snow drives fiercely, if only he may be near his master's side. He will kiss the hand that has no food to offer; he will lick the wounds and sores that come in encounter with the roughness of the world. He guards the sleep of his pauper master as if he were a prince. When all other friends desert, he remains. When riches take wings and reputation falls to pieces, he is as constant in his love as the sun in its journey through the heavens.

"If fortune drives the master forth an outcast in the world, friendless and homeless, the faithful dog asks no higher privilege than that of accompanying him, to guard against danger, to fight against his enemies, and when the last scene of all comes, and death takes the master in its embrace, and his body is laid away in the cold ground, no matter if all other friends pursue their way, there by the graveside will the noble dog be found, his head between his paws, his eyes sad, but open in alert watchfulness, faithful, and true even in death."

Senator Vest sat down. He had spoken in a low voice, without any gesture. He made no reference to the evidence or the merits of the case. When he finished, judge and jury were wiping their eyes. The jury returned a verdict in favor of the plaintiff for \$500. He had sued for \$200.

Under the proposal referred to dogs in good health, and in many instances cherished pets of some household, would be picked up by the pound officials and surrendered for vivisection. In most cases these dogs find happy homes under the existing regulations but under the new proposal they would be all turned over to institutions for vivisection. It is a proposal which violates all humane consideration for which those of us interested in the protection of dumb animals have worked throughout the years.

Mr. Speaker, I trust that every Member of the Congress who is interested in the humane treatment of dumb animals will join me in bringing to the attention of the District Commissioners the necessity, in the interest of the humane treatment of animals, for the quashing of this proposed order providing that all unclaimed animals in the pound be turned over to medical laboratories for vivisection.

#### THE TRAGEDY OF PRIVATE RICHARD KEEFE UNDER THE NATO TREATY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. SMITH] is recognized for 20 minutes.

Mr. SMITH of Wisconsin. Mr. Speaker, in days gone by, Americans were proud to say that their rights followed the American flag. Recently we have been getting away from that concept and by treaty and other devious ways we find that our rights do not always follow the flag. Today we cannot

be too proud of what has happened, with our people being arrested and held captives on some flimsy pretext. And the State Department takes no action to have them released.

I want to talk for just a few minutes this afternoon about the tragedy of Pvt. Richard Keefe, a soldier from Riverdale, Md.

Mr. Speaker, this is an appropriate time to point out the dangers of treaty law that can and does violate the constitutional rights of American citizens. It indicates the necessity of passage of the Bricker amendment without delay. A number of identical bills are pending in the House, one of which is my own.

In July of last year, Mr. Speaker, a treaty was approved known as the Status of Forces Agreement of Parties to the North Atlantic Treaty Organization. Its official designation was Executive T—82d Congress, 2d session—and it was signed at London on June 19, 1951. Unfortunately very few people in this country, yes, very few Members of Congress were aware that this agreement had been signed by American officials and its real significance has just been revealed by an incident that has recently come to my attention.

Mr. Speaker, the NATO Treaty provides that foreign courts will have jurisdiction over American soldiers who commit offenses while off duty against the laws of the country where they are stationed. To my knowledge this is the first instance in our history where the United States has ever surrendered jurisdiction of the rights of an American soldier, in time of peace or war. The only protection, if any, that a soldier has under the NATO Treaty is the promise that he will be given a fair trial under the law and procedures of the foreign country.

And, Mr. Speaker, this brings me to the point I want to make: The tragedy of Pvt. Richard Keefe, a citizen and soldier of the United States, and serving in France. Keep in mind that Keefe had certain rights under our Constitution, well known to all of us, but those rights did not apply under French law.

Keefe, Mr. Speaker, stole an automobile. He was tried, under this NATO Treaty, by a French court and found guilty. He was sentenced to 5 years in prison. A habeas corpus action was instituted in a Federal court in Washington and District Judge Edward M. Curran dismissed the petition and Private Keefe remains confined to his prison cell in France. He had no right to a trial by jury or to an appeal which is guaranteed by our Constitution. It is true that the treaty has provisions in it that create the impression, for public consumption, no doubt, that all our servicemen and women, stationed in the NATO countries will have full protection in criminal prosecutions.

Mr. Speaker, what protection did Private Richard Keefe get? Here is a conscripted American soldier, sent to France to defend it from its enemies, because, as the New York Daily Mirror has said, so well, editorially, "to defend France from its enemies because France has proved in three wars that she is unable to defend herself." The Mirror goes on

to say, "this has already cost the United States billions of dollars and thousands of American lives."

It has been argued by those who supported the NATO Treaty that the waiver of constitutional rights for our soldiers was reciprocal in nature, that British or French soldiers stationed in the United States would be tried in American courts under our law. But, I ask, Mr. Speaker, where is the reciprocity? Have foreign troops been stationed here to defend us? If so, where are they? Or are we to conclude that reciprocity will be invoked in the dim and distant future? It is a ridiculous contention, of course.

When Judge Curran denied the plea for a writ of habeas corpus he was right. He had no jurisdiction to issue an order to free Keefe? Why?

Mr. Speaker, it was because the Status of Forces Treaty had deprived him of his legal rights under the Constitution. No American judge can order the return of Richard Keefe to his family—his wife, and two small children.

What can be done, Mr. Speaker? I say pass the Bricker amendment. Congress has a responsibility to every man and woman who is a member in our armed services abroad and to our citizens generally to plug a present loophole in our Constitution that allows such treaties and agreements to be enacted without full congressional approval.

Support the Bricker amendment, and do it now.

#### EXPENDITURES FOR NATIONAL DEFENSE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 15 minutes.

Mr. SIKES. Mr. Speaker, at a time of crisis, when roughly 60 percent of the Government's income, measured in billions of dollars, is going to and for defense, I think we should pause and take stock of the men who are expending this huge outlay of our natural and monetary resources. Let us pause, and see if the armed services, which recently produced President Eisenhower, MacArthur, Marshall, Bradley, Patton, Leahy, King, Nimitz, and Halsey, and the excellent personnel of all grades and ranks who supported them in our time of direst peril, can reasonably be expected to produce others of similar valor and capability should they again be needed, though God perish the thought.

Short of war, Mr. Speaker, the country needs and must have men of the highest caliber of talent and mentality in our Armed Forces. In these days, unlike the past, we have become a global nation and the vastness of the responsibility imposed on our military personnel staggers the imagination. The physical instruments with which they must work are so complicated and costly, coupled with the fact that so much of every tool of defense must come from materials we cannot and do not produce, that their injudicious or incorrect use no longer falls in the realm

of allowed error. Rather, it is profligate waste. In the past our military leaders have needed to be, by and large, men principally knowledgeable in things military. Today, our military leaders and the men under them must know and understand global concepts, the limits of our economy and ability to produce, and be technically conversant with the most delicate, costly, and complex machinery. Mr. Speaker, I warn you, sir, the times are rapidly producing a situation wherein strategy, tactics, seamanship, and airmanship are no longer the yardstick of coming military leaders. The requirements for first class leadership are now close to genius. Certainly, if this glorious country is to survive we must have in our Armed Forces no less than men in all grades and ranks of first class cut and concepts. It will gain us naught to expend billions for the radar screen one hears so much about, or perfect the tools required to cope with undersea warfare, if the man who mans the instrument and sets standards for their use and improvement is second rate. I charge you, sir, no machine can bridge the gap between human mediocrity and necessary standards of performance. Consequently, Mr. Speaker, it behooves us to see if we, the Congress, are living up to the responsibility we have to the people, namely, to give them, now, the best in weapons and the men to man them, the better to insure our peace of mind and security.

Mr. Speaker, I maintain that we of the Congress have admirably discharged our obligation to the Nation to obtain the best weapons possible. Conversely, we may—though well intentioned—be destroying the potency of our equipment and, therefore, ourselves, by overlooking, yes, even neglecting the man behind the gun. On every hand one sees or hears signs that unmistakably point to derelictions. General Bradley and others of proven competence and integrity tell us the morale of our armed services is declining from causes from without. Departmental secretaries, and their chiefs or heads of bureaus, report an alarming and growing rate of officer resignations and the loss of the hard core of the trained noncommissioned officer through failure to reenlist. In those Reserve officer-training programs that offer transfer to the Regular service, only 10 percent are now applying. This failure on the part of the Nation's largest employer to obtain and hold what is needed, is, in my opinion, Mr. Speaker, due almost entirely to the fact that the service as a way of life is losing its attractiveness unless something is done, we can look forward to a time in the foreseeable future when the services may be manned principally by only those who are serving their time out and those unable to obtain adequate employment outside of the service; or if new to the service, those in uniform because of the draft. Wherein, may I ask, will we then find security? Do we delude ourselves into believing that orders or directives from this august body make for or inspire esprit de corps, or that such a lack can be overcome by sheer numbers? If there be some among us who are so inclined, just let me point to the collapse of the impregnable Maginot

line backed by 6 million men under arms, overrun by a few divisions of well trained and spirited Germans. And let me recall, also, that the French Army was beseeched, ordered, and directed to fight to the last man to repel the enemy and preserve their homeland and families.

Now let us examine into just a few of the causes for the condition facing us today. At best, life in the service was and is no bed of roses. By its very nature it was and is a gypsy existence, out of which no man grew or can grow rich. On the other hand, he and his dependents formerly lived fairly well and he could give his children the advantages desired by the average parent, according to his place and station in life. In addition, the dignity and nobility of the service was a powerful lodestone. The reward for a job well done, under anything but ideal conditions, was advancement and more responsibility during active service, coupled with well deserved and adequate retirement benefits for declining years. In short, people in the service felt theirs was an honorable profession coupled with incentive in the form of accomplishment, advancement, and security. That the final reward was death for many was part of the bargain, and though certainly not given gleefully was chanced, willingly and bravely. Can we be assured of that same unselfishness in the future? On every hand we hear criticism of the military as such. Brass hats and stars no longer represent accomplishment—often they are terms of derision. Locker clubs flourish on the perimeter of all military installations so the men of the ranks can get out of uniform before going into town or on furlough. It is to be regretted that the mere wearing of the uniform has led to jibes, derision, insult, and even altercation between servicemen and the civilians they have so magnificently defended. You will recall, Mr. Speaker, that our own committees have laid evidence before this House of discrimination against the military by landlords. Where they can obtain rental units, they are often gouged. At a time when the wages of industry largely have been tied to the price index in an inflated economy, the income of the military has remained fixed and stable. By and large, it is not realistic when gaged with present-day costs of living, to say nothing of the responsibility discharged. What a bitter pill it must be, Mr. Speaker, for the military man so often to see his counterpart in civilian life with parallel education and training, with less responsibility, receiving much more than the pay of the service contemporary. In spite of that, and all else that I have enumerated, there was until recently, Mr. Speaker, little cause for real alarm. What made the pill possible to swallow was that there was public respect for the job being done, and emoluments, in addition to pay, were available to the serviceman and his family; hence, they could make both ends meet.

Recently, however, the picture has changed. Lessening world tension may be producing its inevitable drop in America's appreciation for the personnel of our armed services. I fear that we already are going back to the peaks and



valleys of preparedness which previously have been so costly. Surely no thinking person believes the threat to America from communism has become any less real, yet there is a widespread indifference to this threat on the part of our people.

I feel that benefits to the Armed Forces should be increased and that a direct pay boost is a simple, logical, and proper course. Since the Career Compensation Act was enacted in October 1949, pay of the military has had an average increase of only 5.7 percent while the cost of living as of November 1953 was 13.3 percent higher than in October 1949. The hourly wages of production workers or nonsupervisory employees in American industry—the category corresponding most closely in skills to enlisted grades—rose over the period October 1949 to April 1953 by 25.9 percent. Increases for executive positions corresponding to officer grades have received increases which exceed to a considerable degree the increase in the cost of living. Civil-service employees receive an increase of 10 percent, for most grades, effective July 1, 1951.

There are many points which deserve consideration. Today, the widow of a deceased career person receives less benefits than her Reserve counterpart, though the eternal sacrifice is similar for both, the loss just as tragic, and the need as great. We cut accumulated leave accrual for all by one-half. Consequently, hundreds upon hundreds engaged in stemming the surging tide of communism, whether here or abroad, could not or did not take the leave that was theirs as a matter of right. Such persons have not only lost their leave, but all right to or for it. Those engaged in vital and necessary extrahazardous pursuits are enjoying anything but a sinecure in the extra pay they receive. Hardly a month passes without some major attack on this incentive as well as on the principle of hazardous duty compensation.

The case of long-time Reserve officers is one of uncertainty and lowered morale. I cite the case of one Naval Reserve officer as an example. After 1 year of post-high-school education he entered the Navy's V-5 program and was given the equivalent of another year's education, enough to qualify him for training as a naval aviation cadet. He was eventually commissioned and has served as a naval aviator ever since. In the spring of 1950 he was due for release to inactive duty and had enrolled at Georgia Tech in order to complete his education and obtain an engineering degree. But when the Korean "police action" occurred, his separation orders were cancelled and he is still on active duty, 28 years of age, married and with two children, and the equivalent of 2 years of college education. He has always wanted to make the Navy his career, but the Navy will not take him because he has not a college degree, which the Navy has prevented him from obtaining. With close to 10 years of naval service, he is classed as one of the long-time Reserve officers—and there are thousands like him in the Navy alone—serving on a month-to-month

basis, at the pleasure of the Navy Department, with no prospect of security for the future.

Service in out-of-the-way locations provides an illustration. It is often necessary to pay civilians a high bonus in order to get them to work at many of the remote bases operated by the armed services all over the world. But service personnel must accept this inconvenience and the consequent hardships with nothing except, in some cases, a few percent of foreign-duty pay.

Decrease in percentage of reenlistments is a serious matter, not only in indicating lowered morale and loss of trained personnel, but financially also. It costs thousands of dollars to train a recruit up to an NCO-technician level, and ties up many valuable men as instructors. Thus the small amounts saved by the fringe benefits and other methods aimed at taking money and privileges away from armed service personnel are wiped out many times over by the loss of trained personnel and the time and money required to train more.

I could go on, and in detail present instances whereby the rules have been changed, sometimes in the middle of the game, in a game wherein the contestants dare not protest too loudly in public, or quit. I am reluctant, however, to impose further on the indulgence of the House. Rather, I would like to sum up now and leave my remarks for my colleagues to ponder. The morale of the Armed Forces and, therefore, the security of this country, is at a disturbingly low ebb. I believe that the great majority of the ills can be overcome by monetary medication. I believe, also, that money so spent will be earned and repaid a thousandfold. I fear further that our military leaders have unknowingly softened discipline in an unconscious effort on the part of the services to save and keep what it has, at almost any cost. I say, too, Mr. Speaker, that all reports I have seen have only lightly touched on an important and the most worried and disturbed segment of all—the service wife. If we can rebuild the spirit of the service wife we have won much of our battle. It has rightly been said, Mr. Speaker, that the hand that rocks the cradle rules the world. Let us hope and strive, therefore, for a happy and contented first-class service family, to the end that we will not have to rely on a service composed of second-class material in a first-class crisis. Let us do all that we can to insure that the billions we are now spending for defense are not utilized and expended by personnel who live and perform solely by the book, and can think only in the millions.

Allow me, Mr. Speaker, to point out, in closing, that the defense and security the country needs now, and which we must guarantee now, for the future, cannot be found or bought in any bargain basement. We must face the facts. Industry, and other civilian pursuits, are competing with the Armed Forces for men of all grades, ranks, and specialties, of the quality the services are losing, or not obtaining. The country must have these men in uniform. As long as there are insufficient monetary and professional incentives to attract and hold the

leadership we need in all grades and ranks, the currently bad morale of our Armed Forces will continue to worsen to our ultimate and early peril.

#### INCREASE IN COMPENSATION FOR MEMBERS OF ARMED SERVICES

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, I have today introduced a cost-of-living pay bill for members of our armed services. This bill contains similar provisions to the one introduced in the last session by our distinguished colleague, the gentleman from Pennsylvania, the Honorable JAMES VAN ZANDT.

As a member of the Armed Services Committee I made an extensive investigation during the last recess into the morale of our servicemen and women. I am convinced that the current morale problem is primarily one of economics. The serviceman and his family have been unable to keep up with the rising cost of living, and consequently our enlistment rates have reached an alarmingly low point. Our highly trained technicians in the various services find outside pay too much at variance with the pay offered to career service people. Low service pay rates, which have not been increased since 1949, combined with a steady whittling-away of benefits that have been judged a part of their pay, has brought about the current alarming situation.

I know that I am expressing the considered opinion of the Secretaries of the services and of high ranking military men when I say that morale of the service is one of the most troubling military problems today. With reductions under way in nearly every branch of the service, we are going to be more than ever dependent on a hard core of trained career service personnel who can keep their minds on their jobs and not on the problem of barely making ends meet.

We have heard testimony by various experts to the effect that it costs thousands of dollars to train the average serviceman today in the highly technical fields of electronics, radar, chemistry, and similar fields. It seems penny wise and pound foolish to train men at great expense and then invite them to leave the service through the device of substantially underpaying them. If we are to depend for the protection of ourselves and of our loved ones on an alert, strong, competent armed force, then it is fundamental that we consider a pay raise bill immediately.

#### UNEMPLOYMENT IN EASTERN KENTUCKY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 30 minutes.

Mr. PERKINS. Mr. Speaker, I take this time to speak about the serious un-

employment condition that now exists in eastern Kentucky.

The year ending 1953 reflected certain economic developments that cannot be fully evaluated at this time. In many sections, business remains good with employment at a relatively high level. There is one alarming note in the Census Bureau report of a decrease of 700,000 in the number of people employed for the month of December 1953. This is a paradox as the report also indicated an increase of only 422,000 in the number of unemployed. What happened to the 280,000 other persons plus the normal increase in population is difficult to explain.

This increase in unemployment, whether it be 420,000 or 750,000, need not be alarming from a national standpoint, but the increase is not uniform. In some communities there has been little increase in unemployment while in a few there may have been an actual decrease in unemployment. In many instances, however, the increase in unemployment has been rapid and critical. I have personally observed a tragic example of the latter group in my home community in eastern Kentucky. I have also had similar reports of other communities in Virginia, Alabama, Massachusetts, Pennsylvania, Illinois, and Michigan. I feel that there are many others with conditions somewhat similar to those in the coalfields of eastern Kentucky where more than 1 person out of 5 is unemployed with little or no prospects of finding a job in the immediate future. This does not mean that these workers are permanently unemployed as they have always shown a resourcefulness and initiative in finding work that is almost unbelievable. For the past 3 years they have been migrating to northern industrial areas such as Michigan. However, the large number of recent layoffs in the Michigan area reaching over into Ohio and Indiana has eliminated this source of new jobs so that we now face the problem of a high unemployment rate which is being increased by the return of a substantial portion of those who have left home and obtained jobs in other industrial centers.

The unemployment insurance claims load in Kentucky for the months of November and December of 1953 was the largest of any November or December since the program began in 1939. In March of 1951 the rate of insured unemployment in the Nation was just under 3 percent while in Pike County, Ky., it was just over 7 percent. The national rate was at the same level in March of 1953 while in Pike County, by December of 1953, it had increased to 21.7 percent or approximately 6 times the national rate which is only slightly above 3 percent at this time. The insured unemployment rate for the entire eastern Kentucky area is approximately 18 percent or 5 times the national average. In addition to this total unemployment picture, a large number of workers in the area including practically all the miners are receiving only part-time employment of less than 3 days per week.

Mr. ELLIOTT. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Alabama.

Mr. ELLIOTT. Mr. Speaker, first I want to commend the gentleman from Kentucky [Mr. PERKINS] on the subject matter of his address. The serious unemployment existing in several areas of the country should be brought clearly to the attention of Members of Congress. As a matter of fact, I think it would be well that the problem be considered by the entire country.

The question of what should be done by the Federal Government to aid those areas in economic distress has been a problem with which I have wrestled, as the gentleman knows, in recent years.

With the indulgence of the gentleman, and as a background for what he is saying, I would like to revamp some of the facts that stand out in my experience with the problem.

Today, unemployment in Walker County, Ala., my home county, stands at 12 percent. In round figures, I might say that the total civilian labor force of Walker County, Ala., is 16,000 people, and of that labor force 2,000 are presently unemployed.

The Seventh Congressional District of Alabama, which I have the honor to represent here, produces large amounts of coal. As a matter of fact, it customarily produces about 40 percent of all the coal produced in Alabama. The plight of this coal-producing area is illustrated by the fact that just a few years ago Alabama produced 18 million tons of coal annually. Last year its production was 12 million tons. However, these figures do not tell the whole truth about unemployment in the industry. While two-thirds as much coal is being produced as formerly, that two-thirds is being produced with less than half the number of employees formerly required to produce coal. Coal mining is becoming more and more highly mechanized with each passing day. This fact is helping coal to continue as one of our highly used sources of energy. But the mechanization of the mines, whether large mines or small mines, is resulting in fewer and fewer people being employed to produce America's coal.

Coal in substantial quantity is also produced in Marion, Winston, Cullman, and Blount Counties. To a lesser degree, it is produced also in Fayette County, in the Seventh Congressional District. I mention these facts to show that the Seventh Congressional District of Alabama has a most substantial interest in the subject matter of your address. We have suffered to the point that fewer than 50 percent of the people engaged in mining in that area 10 years ago are today so employed.

The Department of Commerce by its survey of 1950 found that Walker, Winston, Marion, and Blount Counties were critical from the standpoint of unemployment. This was related primarily to the severe decline in coal mining. Some time later the Labor Department took over the statistical work of determining areas of greatest unemployment in the United States, and Walker County, Ala., my home county, was placed on that list.

People in my area exerted themselves wonderfully to accomplish more employ-

ment. Towns set up housing authorities and built more than 20 housing projects. Hospitals and health centers have been constructed. Roads and highways have been built at an accelerated pace. Business and professional men and women have given of their time and thought in an effort to help solve the problems. Some new industry has been brought to the area, but still we are faced with the same problem of unemployment that is now stalking the coal fields of America. Kentucky is suffering, as you have so forcefully pointed out. West Virginia, southern Illinois, Maryland, Pennsylvania, and other States where coal is produced are beset with the same problems.

I want to say to the gentleman that if those of us who represent the States where unemployment is widespread worked together, perhaps we can evolve a workable plan which will go at least a part of the way toward solving this problem.

I know that the gentleman from Kentucky is a member of the House Committee on Education and Labor and, as such, that he has been active, as have I, in attempting to work out a formula of aid for education in the field of schoolhouse construction. Such a program would be beneficial to his State and to mine. As a matter of fact, I contend and believe that such a program would be beneficial to every State of the Union. I realize that there is opposition to the program, but if the need of the areas of high unemployment could be forcefully brought before the country, I believe that the American people would feel that a program of schoolhouse construction in areas of high unemployment might be one program that the Government at this time could reasonably undertake.

Also, I feel that there should be instituted immediately a full-scale investigation and study of the entire coal industry. On March 13, 1950, I introduced a bill, H. R. 7660, which had for its purpose the establishment of a commission on the coal industry to study the problems of the industry and suggest suitable legislation to bolster, strengthen, and improve the industry. It is my intention to reintroduce this bill on Wednesday next, and I trust that it may have the support of the House to the end that such a commission might get started with its work.

Also, I feel that river-and-harbor improvement projects that are clearly shown to be badly needed in the areas of high unemployment should be given priority for construction at this time. I was disappointed last year when the administration refused to budget new projects. If the Federal Government could proceed now to do the river improvements needed in the 7th Congressional District of Alabama, such improvements would go a long way toward alleviating existing unemployment. For instance, on the Warrior River, which drains approximately 50 percent of the 7th Congressional District of Alabama, there is badly needed at the present time new locks and dams to take the place of existing dilapidated and worn-out locks and dams. In addition, there is badly needed, in my judgment, at least three



dams on the headwaters of the streams making up the Warrior River, so as to regulate the flow of water in the river, improve its navigation, and generate electric power, and perform other beneficial results. On the other side of the district is the great Tennessee-Tombigbee project, the building of which would add so much to the internal strength of this country.

The Government now has a program dealing with purchases from areas of high unemployment. Unfortunately, this program has not brought much relief to coal-producing areas.

As the gentleman goes ahead with his speech, I would like to have him give us the benefit of his well-considered views on some of the questions I have raised. He realizes, as I do, that areas of heavy unemployment are cancerous spots on our economy which must not be allowed to spread.

As one who has worked on this problem of unemployment for several years, I want to say to the distinguished gentleman from Kentucky that I am happy that he is giving his time, thought, and attention to the matter. The gentleman and I came to Congress at the same time, and I have had occasion to know and observe intimately his work in the Congress. I know of no Member who is more dedicated to the service of his people than is the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. I wish to thank the gentleman from Alabama for his contribution. As it happens, the gentleman from Alabama and I both came to Congress at the same time, and at present we are each representing areas with a high unemployment rate. The gentleman's problems are very similar to some of the problems in the district that I represent.

I do not think there is a more conscientious Member in this body than CARL ELLIOTT. He has always worked for the welfare of his country and district, has always been aggressive in trying to find some solution to this unemployment problem in these distressed areas throughout the Nation.

I am of the opinion that we will be unable to get any relief under the present order of the Office of Defense Mobilization. As I understand, that order provided for the allocation of Government contracts in labor-surplus areas up to 30 percent and gave tax relief to defense plants that were constructed in these areas. The present order eliminated the bid-matching features which existed under the former policy. It seems to me that the prohibition against permitting the low bidder in a distressed area to match the low bid in a noncritical area will to all intents and purposes kill the effectiveness of the present order insofar as giving immediate relief to these distressed areas. In fact, I believe that some differential if necessary should be provided for in order to channel defense contracts into these critical areas. The tax-amortization feature, in my judgment, should be modified to include any plant instead of being limited to defense plants. Under the present setup the able and capable gentleman from Jasper, Ala., will not be able to sell any coal to the

Defense Department. The rider that was placed in the appropriations bill last year permits the matching of the low bid. The present order does not go that far.

I feel that the suggestion from the gentleman from Alabama in connection with the school construction program is well taken. We all know the need for such a program. There is no necessity to advance any argument for such a public-works program. As it happens, the survey has already been made throughout the Nation of the various needs for school construction by the State departments of education. During the second session of the 81st Congress the Federal Government appropriated \$3 million for this survey which was matched by the States on a formula basis. The gentleman from Alabama, along with myself and many others, actively participated in making the funds available for this school survey.

It is my information that these plans have been practically completed throughout the Nation. I know that of the 13 counties which I represent the plans have been completed in 12 of those counties. I recently had a conversation with the school superintendent in the remaining county—Pike County—where the plans have not been reported to the State department. However, the superintendent of schools imparted to me that the report for this particular county would show that \$17 million is needed immediately for school construction. He further informed me that 61 one-room schools and 56 two-room schools were still in use in Pike County.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the majority leader the distinguished gentleman from Indiana.

Mr. HALLECK. I want to say, first of all, that I certainly have the greatest interest in the situation as it has been described here today in the coal mining areas. Reference was made to a survey that was made in respect to school needs. I was just wondering if there has been a survey made of this problem that would indicate how much of this difficulty at the coal mines might be attributable to loss of markets, to competing fuels like oil or gas, or whatever it may be, or through the development of hydroelectric power, as compared with the impact of imports.

Mr. PERKINS. There has been a great loss of markets on account of competing fuels. That fact cannot be denied, and for that reason we have been trying to get assistance, by reason of less importation of so much residual oil which in all probability displaced approximately 35 million tons of coal last year. I think the record discloses that approximately 140 million barrels of oil were dumped on the eastern seaboard from Venezuela.

Mr. WAMPLER. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Virginia.

Mr. WAMPLER. I wish to commend the gentleman from Kentucky for his remarks here today. I might say that my district in Virginia adjoins his dis-

trict in Kentucky for a considerable area and distance. I have great regard for the gentleman from Kentucky and also his people. As a matter of fact, while I was campaigning for Congress 2 years ago I very accidentally got over into his district one day and spent almost a day there not knowing that I was in Kentucky. It was reported to me that I almost carried one of his counties over there.

However, the interests of his district and mine are very similar and the makeup of the people is very similar. As I said earlier on the floor of the House today, the problems that confront my people also confront his people. We have mass unemployment in the coal fields of southeast Kentucky and southwest Virginia.

I think it is well for this House to give due consideration to this very important problem. I think it might be well for us to give consideration to the suggestion the gentleman from Kentucky has made that perhaps in this present dilemma it might be well for our Government and this Congress to give consideration to public works programs to alleviate this situation, that is approaching the disastrous right now.

The gentleman from Kentucky has given much time and thought and study to this problem. I am aware of the fact that he has talked to a number of groups in his district and conferred with people in my district. I believe he will find that the people of the coal-producing areas of this Nation, my district and his district included, would be very receptive to a program of this nature.

It so happens that the terrain of my district and much of it in his district is such that it would be ideally situated for the Government to develop flood-control dams. It is my understanding that the Corps of Engineers have in their long-range planning authorized the construction of these dams, although there has never been an appropriation made for them. I think it is well that we give some serious thought and study to this proposition.

Mr. PERKINS. I wish to thank the able gentleman for his contribution. The gentleman represents a coal mining section in southwestern Virginia and has always been concerned with the welfare of all the people in his district. We have talked our problems over on many occasions, and I wish to say to the gentleman that he will receive my wholehearted cooperation in connection with his efforts to get reservoirs constructed in his district. I am hopeful that we will be afforded the opportunity within the next few weeks to present our whole problem to the House Public Works Committee. Both of our areas suffer from the lack of industrial water.

COMMONWEALTH OF KENTUCKY,  
DEPARTMENT OF ECONOMIC SECURITY,  
Frankfort, January 5, 1954.

HON. CARL D. PERKINS,  
Congress of the United States,  
House of Representatives,  
Washington, D. C.

DEAR MR. PERKINS: At the request of Mr. O. B. Hannah, Kentucky director of unemployment insurance, I am sending you the following unemployment insurance claims data for November and December 1953: The

average weekly number of continued claims for each county in your district, this average weekly number of claims as a percent of employment covered by unemployment insur-

ance, and the amount of unemployment insurance benefits paid during the 2 months. This information is shown in the table below:

*Average weekly number of claimants and monthly benefit payments for selected eastern Kentucky counties*

County	Average weekly number of continued claims		Claims as percent of covered employment		Amount of unemployment insurance benefits paid	
	December 1953	November 1953	December 1953	November 1953	December 1953	November 1953
Total.....	5,010	2,897	17.6	10.5	\$306,693	\$183,964
Pike.....	1,974	1,127	21.7	12.3	130,160	72,250
Martin.....	30	19	11.0	7.1	1,820	1,063
Johnson.....	240	153	14.8	10.0	14,561	8,614
Magoffin.....	100	64	45.2	26.8	6,280	3,721
Floyd.....	995	636	16.6	11.8	68,350	40,504
Knott.....	316	170	80.2	42.8	15,861	10,729
Perry.....	852	458	13.5	7.5	44,431	30,032
Letcher.....	503	270	11.1	6.1	25,230	17,051

The average weekly number of continued claims filed is probably the best indication we can give you of the number of persons filing for unemployment insurance in these counties. Claims as a percent of employment indicates the economic impact of insured unemployment in your area.

You will note that the situation in December seems substantially worse than was the case in November. In November we prepared special labor market reports for use by the Department of Labor in classifying eastern Kentucky areas in the critical labor surplus group. At that time, we estimated that there were 2,700 unemployed in the Prestonsburg area which was equivalent to 11.8 percent of the labor force, 1,850 in the Pikeville area which was equivalent to 12.7 percent of the labor force, and 1,970 in the Hazard area which was equivalent to 9.1 percent of the labor force. These latter figures are not strictly comparable with unemployment insurance data as they are more inclusive. However, they are the data used to classify areas as to their labor supply situation. In the light of 6 percent being considered as the beginning of a critical situation, there seems to be very little doubt that these eastern Kentucky areas are in relatively poor economic shape.

We hope that these data will serve your needs, and please do not hesitate to call on us for anything else we can furnish.

Very truly yours,

V. E. BARNES, Commissioner.

By DAMON W. HARRISON,  
Assistant to Chief, Research and Statistics.

The purchasing power of the area is drastically reduced and business failures are approaching the rate of the depression years in the early thirties. This area was certified by the Secretary of Labor as group IV or critical labor surplus area in July of 1953, but the Department of Commerce has not yet made a report on the production facilities which is required to make this certification effective. At that time, the overall rate of unemployment was approximately 10 percent and the unemployment insurance data indicates that this rate has almost doubled during the last 6 months of 1953. In the meantime, the affected area has spread to include parts of the adjacent States of Virginia, West Virginia, and Tennessee and there are indications that this spread may continue until it overflows into the Ohio and Michigan unemployment area which would constitute the beginning of a major national depression.

It is too early to evaluate this situation or even to predict that the spread

will continue but there are no indications that conditions will improve in the immediate future. I, for one, do not propose to stand idly by and say either that prosperity is here to stay or that another boom is just around the corner. The following list of mines that have closed in the past year with the number of men affected in the Hazard, Pikeville, and Williamson, W. Va., areas is far from encouraging:

#### *Hazard area*

##### **MINES CLOSED AND MEN AFFECTED**

Columbus Mining Co. No. 9.....	42
Columbus Mining Co. No. 10.....	46
Meem-Haskins Coal Corp.....	220
Kentucky Blue Grass Mining Co.....	220
Black Gold Mining Co.....	70
Fourseam Coal Corp. No. 4.....	140
Wisconsin Coal Corp.....	125
Carrs Fork Coal Co. No. 4.....	175
Harvey Coal Corp No. 8.....	100
East Central Coal Co.....	67
Cutshin Coal Co.....	181
Bulan Coal Co.....	43
Kenmont Coal Co.....	111

Total..... 1,540

#### *Pikeville area*

##### **MINES CLOSED IN 1953 AND MEN AFFECTED**

Caudill-Ward Coal Co., Federal.....	30
White House Coal Co.....	86
Premium Elkhorn Coal Co.....	8
Eastern Gas & Fuel Associates.....	239
Top Hat Mining Co.....	64
HiHat Elkhorn Mining Co.....	74
Lambert Co.....	72
Kentucky Fuel Co.....	105

Total..... 678

#### *Kentucky mines in the Williamson, W. Va., area*

##### **MINES CLOSED IN 1953 AND MEN AFFECTED**

Earlston Coal Co.....	79
Emperor Coal Co., Stone division.....	295
Emperor Coal Co., Freeburn division.....	121

Total..... 495

During the month of December, three coal companies at Hazard, Ky., filed voluntary petitions of bankruptcy. There is no hope that these mines can be reopened for several months nor is there any indication that the other closed mines will resume operations at any time this winter. Others have had repeated layoffs with no recalls. The Mountain States Coal Corp. at Pikeville, Ky., gave me the following report:

During 1947 we sold 1,636,462 tons of coal. In 1949 our production decreased to 140,276

tons and in 1953 our tonnage was only around 40,000, which would be less than 4 days operation at our full calculated capacity of 3,162,500 tons per year of 250 working days.

The national demand for coal has dropped approximately 20 percent from the wartime peak of 600 million tons annually.

STONE, KY., January 20, 1954.

HON. CARL PERKINS,  
Member of Congress,  
Washington, D. C.

DEAR SIR: I am writing you in reference to a condition that exists in not only your district but all over the Nation at the present time.

As you know the unemployment roll is growing day by day and especially in the coal fields. In the Williamson, W. Va., field which includes the Pond Creek section of Pike County, Ky., there is at the present time over a thousand unemployed coal miners. These men are honorable men and are willing to work for a living but work does not exist for them; not in the coal industry or any other field of employment, as we have found out.

There is at the present time, in Government warehouses, a large amount of surplus food. Several proposals have been presented recently by the present administration as to what should be done with these commodities and I think that no better purpose could be served that to use these commodities to feed the needy people of our own Nation especially the disabled and unemployed.

At the present time the Salvation Army, of Williamson, is receiving a small amount of Government surplus which is being used for that purpose by Capt. Harold Davis, who is in charge of the Williamson office, but it is only a drop in the bucket in comparison to what is needed and if something isn't done soon some people in this district will be in destitute condition.

Yours respectfully,

JACK MEADOWS,  
President, Local 5728.

The canalization of the Big Sandy River and the modernization of the locks and the development of navigation on the Kentucky River is one of the answers to our economic problem in eastern Kentucky. These long needed improvements can be done now by the utilization of a portion of the labor of the more than 60,000 unemployed persons in these 2 valleys pending a revival of the demand for coal which economists predict will double by 1960. There is also a need for reservoirs on the headwaters of these two streams adequate to maintain a year-round flow of water sufficient for both navigation and industrial uses. These essential public works programs will represent a total cost approximately equal to the wage loss which will accrue to the unemployed workers of these two valleys during the calendar year of 1954. This will increase the earning power of the residents of this area for generations to come and add to the economic strength of the Nation and in particular to the development of the atomic plants now located in the Ohio Valley.

There is also immediate need for the modernization of the school facilities of this area. The survey of the school facilities now in progress as authorized by this Congress in cooperation with the various States has been completed in 12



of the 13 counties in the district I represent. This survey for which the State of Kentucky appropriated \$40,000 to which was added a \$60,000 grant from the Federal funds appropriated for that purpose, indicates an immediate need for a school building program in these 13 counties to cost \$66 million.

I introduce a letter from the superintendent of public instruction:

COMMONWEALTH OF KENTUCKY,  
DEPARTMENT OF EDUCATION,  
Frankfort, January 12, 1954.

HON. CARL PERKINS,  
House Office Building,  
Washington, D. C.

DEAR SIR: In compliance with your request, I am enclosing information on a Statewide master plan for a program of school plant construction for each county in your con-

gressional district, with the exception of Pike. The survey in Pike County has not been completed as of this date. Urgent building needs in your district are typical of the building needs throughout Kentucky. We are listing these needs on a form prescribed by the United States Office of Education as part of the report of the nationwide school facilities survey which is being conducted under provisions of Public Law 815. For your information this survey must be completed by June 30, 1954, at which time complete information will be available.

You will note that the total building needs for your district, excluding Pike County, are more than \$49 million. These figures include new plants, sites, additions to existing buildings, and remodeling of old buildings. These estimated building costs are for the period from the present to 1960.

The survey further shows that about 1 out of every 4 of Kentucky's children at-

tends a 1- or 2-room school. Over half of Kentucky's children are in overcrowded classes where teachers cannot give adequate time to any child. Two out of every 5 of Kentucky's children attend schools with outdoor toilet facilities. Children in many districts are housed in deplorable buildings. Forty-eight (48) percent are housed in buildings which are fire hazards, and 31 percent are in buildings that should be abandoned.

Enrollment is at an all-time high and will continue to increase in the future. Unless Federal aid for buildings is forthcoming it will be impossible for Kentucky to adequately house her school children. Despite increased local and State effort, Kentucky will continue to rank near the bottom in providing educational facilities for her children.

Very truly yours,  
WENDELL P. BUTLER,  
Superintendent Public Instruction.

FEDERAL SECURITY AGENCY, OFFICE OF EDUCATION—STATE-TO-FEDERAL REPORT ON 2D PHASE OF SCHOOL FACILITIES SURVEY

TABLE 1.—Statewide master plan for a program of school plant construction

(1)	(2)	(3)		(4)		(5)					(6)	(7)	
Projects (listed separately, but grouped according to local planning areas)	Definiteness of project (use symbols A, B, or C)	Priority or urgency of need: Should be ready for occupancy by (check)—		This project to be designed to accommodate—		Nature of projects and estimated cost (insert estimated cost in applicable subcolumns)					Total estimated cost of project	Size of new construction	
		(a)	(b)	(a)	(b)	(a)	(b)	(c)	(d)	(e)		(a)	(b)
		September 1955	Between September 1955 and September 1959	Grades	Pupils	Complete new plant (estimated cost exclusive of site)	New building on site now used as school center	Addition to existing building	Remodeling or rehabilitation of old building	New sites; addition to sites; improvement of sites		Number of instruction rooms	Approximate number of square feet in area or building
Breathitt County and Jackson					3,447	\$2,550,500	\$440,000	\$404,000	\$203,000	\$45,200	\$3,642,700	119	
Floyd County and Prestonburg					7,310	3,979,050	1,975,050	1,788,470	412,700	67,000	8,222,270	249	
Hazard Independent					780		396,000	351,628	166,154	3,750	916,932	26	
Elliott County					1,730	1,095,700		777,000	90,600	22,500	1,985,800	50	
Lee County					1,510	1,211,000		420,000	50,000	35,000	1,716,000	52	
Perry County					6,841	6,169,891	495,000	652,080	293,455	72,100	7,682,526	231	
Wolfe County					1,527	1,281,000		167,000	122,000	12,100	1,582,100	50	
Jenkins Independent					940	760,000	356,400	70,650		31,000	1,218,650	34	
Paintsville, Ind.					840	831,600				8,000	839,600	28	
Knott County					4,025	3,077,300	207,900	842,405	142,600	49,000	4,319,205	135	
Morgan County					1,809	769,200	891,000	247,700	208,000	20,500	2,136,400	60	
Martin County					2,190	1,410,100		637,630	110,000	26,500	2,174,230	75	
Magoffin County					2,580	1,704,100	267,300	824,200	64,500	26,500	2,886,600	88	
Letcher County					6,080	5,079,400	297,000	983,400	90,500	47,000	6,497,300	206	
Johnson County and Van Lear					3,360	1,471,000	949,900	960,325	22,500	37,500	3,441,225	112	
Total					44,960	31,390,441	6,275,550	9,115,888	1,976,009	503,650	49,261,538	1,515	

It is essential that adequate school facilities be established for all our children and it is even more essential in this area where the top skills are needed to revitalize the industrial development of the region. The resources, including more than 5 billion tons of known coal reserves sufficient to maintain the wartime rate of production for the next 150 years, are adequate to maintain any industrial development that it will be possible to attain in the foreseeable future.

The attempts to diversify industry in the area have been limited by the lack of a year-round supply of industrial water, and paradoxically the recurring spring floods. Adequate reservoirs will eliminate both these handicaps to the essential industrial development of the area and a State-Federal school construction program will go far toward making such developments permanent and successful.

I now yield to the gentleman from West Virginia.

Mr. BYRD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BYRD. Mr. Speaker, I wish to congratulate the gentleman from Kentucky [Mr. PERKINS] on his timely and appropriate statements concerning the need for forthright action on the part of the Federal Government in mitigating the problems of unemployment which are presently confronting the people in many areas of the country.

Each day I receive numerous letters from my constituents asking that the Federal Government take cognizance of the situation that has developed in which thousands of men have been deprived of their jobs as a result of unregulated imports of residual oil and other products of foreign countries. In view of the fact that Congress and the administration have thus far been hesitant to regulate these imports by quotas, I suggest that emphasis should be placed upon a study of the picture as it exists in West Virginia, Kentucky, Alabama, and other

States, with a view toward alleviating adverse economic conditions by the installation of defense plants and public works programs in those areas.

Under leave to extend my remarks, I include two letters from my district which emphasize the seriousness of the growing problem:

UNITED MINE WORKERS OF  
AMERICA, DISTRICT 29,  
Beckley, W. Va., January 18, 1954.

HON. ROBERT C. BYRD,  
Member of Congress, Sixth District of  
West Virginia,  
House Office Building,  
Washington, D. C.

DEAR CONGRESSMAN: In President Eisenhower's message on the state of the Union he seemed to be disturbed about what to do with the farm surplus. I note in recent newspaper reports that they are proposing to sell 260 million pounds of butter to Russia, at 50 cents per pound. The Government has millions of pounds of surplus commodities, such as milk, butter, cheese, wheat, and meat that they do not know what to do with.

We are allowed to get a few crumbs under the present law, through the department of public assistance, for people who are out of

employment and destitute, but not enough to sustain life and limb. It seems ridiculous to me that thousands of men, women, and children are going hungry in this country for the want of food, or, in other words, starving to death in a land of plenty.

The American coal miner is now producing 8 tons of coal per man, per day. The highest efficiency of any workman in the world. He produces so much coal that he has worked himself out of a plate at his own table. Other industrial workers and the farmer are doing the same thing. American ingenuity has solved the problem of production.

There are 20,000 coal miners in southern West Virginia whose unemployment compensation will soon run out or has already run out, and no jobs are available. It behooves the Congress of the United States to attempt to solve the law of distribution, so that the American people will not starve to death on account of overproduction.

I urge you to use your good office to see that the surplus commodities that the Government has on hand is distributed to people who cannot find employment. It should be the duty of the Government to either find a job for a man that is unemployed, extend unemployment-compensation payments, or furnish with the surplus commodities which seem to be a drug on the market, so that our people will not starve while our farm surplus goes to waste.

With kindest regards and best wishes, I am

Sincerely yours,

GEORGE J. TITLER,  
President, District 29, UMWA.

ST. ALBANS, W. VA., January 20, 1954.  
HON. ROBERT C. BYRD,  
House of Representatives,  
Washington, D. C.

DEAR MR. BYRD: As I am a member of the City Council of St. Albans, W. Va., I feel that you should be informed of the increasing unemployment in the Kanawha Valley.

This valley which is known the world over as the chemical center of the United States has many industries and usually there is work to be found here when things are slow elsewhere, but in recent months there has been a steady decrease in employment which is causing unrest among the people of this area.

As you know people become disturbed when employment declines as they fear we are going to have another depression. If it is within your power, I feel something should be done to allay their fears.

Sincerely,

REX PRUDEN,  
Councilman, Second Ward,  
St. Albans, W. Va.

#### THE LATE HONORABLE DANIEL F. CLEARY

The SPEAKER pro tempore (Mrs. HARDEN). Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 15 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, in the bright noontime of his life, covered with honors far beyond the lot of most men, and in the enjoyment in rare and unusual measure of the affection of family and of friends, he passed from the shore of human visibility to the invisible continent that is the inevitable and inescapable refuge of us all. It is not given to us to fathom the reasons for the pattern of human life.

The Honorable Daniel F. Cleary, the first Chairman of the War Claims Commission, came to Washington in the early days of the Truman administration following the election of 1948. He was only

39. President Truman then was reaching out for the flower of American young manhood to buttress his official family. Dan Cleary was one of the small group, carefully selected from the choice offerings of the Nation, to give the drive and vigor, the dash and the vision of youth to the administration of a President who himself was no longer young.

Dan Cleary came from the district in Illinois which I represent in the Congress of the United States. We were very proud and happy in the Second District of Illinois when the President of the United States, wishing to surround himself with the cream of America's youth, invited Dan Cleary to serve with his administration in a key spot of major importance.

No man ever came to Washington, and did a better job. The War Claims Commission is a quasi-judicial independent executive agency. Its decisions are final, not subject to review by any court or by the Comptroller General. Claims heard and adjudicated by the Commission range in amount from a few dollars to several million dollars. In the administration of the Commission, and the performance of its many responsible duties, Dan Cleary had no guide in precedents since he was the Commission's first Chairman. He blazed the trail by working long hours and applying to the task the genius of a mighty mind and a heart of gold.

It is a lasting monument to the memory of Dan Cleary that under his administration the War Claims Commission not once was subject to the slightest hostile criticism from any source. He gave the flowering years of his prime to the public service of his country.

Mr. Speaker, I have remarked that we cannot understand the pattern of human life. Dan Cleary had so much ahead of him, so much to give in service to a world so much in need of more Dan Clearys. But in the finite intellect is no power to interpret the purpose of the infinite. Ours is not to question, but to accept. I shall continue to feel the presence and the inspiration of this dear friend by denying the finality of a temporary parting.

The Honorable Daniel F. Cleary was born in Chicago, June 4, 1910, was educated in the parochial schools and Loyola Academy; receiving his college and legal education at Loyola University in Chicago. He was admitted to the practice of law in 1937 and remained a member of the Chicago firm of Garvey, Cleary, & Boyle, until June 17, 1942, when he enlisted in the United States Army Air Force. He was a major on leaving the service in November of 1945.

He was on the staff of the Retraining and Reemployment Administration, United States Department of Labor, from November 1945 to December 1946, during which time he had charge of the program of disposal of surplus federally owned property to educational institutions of the United States, an activity which involved frequent contact with university and college officials throughout the country.

He was in the staff of the Veterans' Administration as senior attorney—legislative analyst—Office of Legislation;

conducted study of escalator clauses in wage contracts based on the cost of living index and their possible applicability to rates of veterans' benefits, December 1946 to September 1949.

On July 28, 1949, he was nominated by President Truman as a member of the War Claims Commission; confirmed by the Senate upon the recommendation of the Judiciary Committee, September 13, 1949; elected Chairman upon organization of the Commission, September 14, 1949.

As Chairman of the Commission Dan Cleary testified before the various committees of both bodies of the Congress, winning from the members thereof high acclaim. He directed an exhaustive study of the problem of World War II damage claims. Moreover, he spark-plugged the work of the Custodian of Alien Property, from the collections of which office came the only funds available for the good purposes of the War Claims Commission. He organized the office of the Commission into a perfect, hard-working, hard-hitting team. Traveling to the Far East he brought by personal contact the office there to the same high degree of efficiency.

Among the many organizations of which Dan Cleary was a valued and beloved member were: Chicago Bar Association, American Bar Association, Disabled American Veterans, American Legion, National Press Club, Catholic Alumni Guild of Washington—president 1951—John Carroll Society, and Democratic Club of the District of Columbia—director 1951–52, Local No. 134, I. B. of E. W.—A. F. of L., Irish Fellowship Club of Chicago, the Cana Conference of Washington, the Catholic Interracial Council of Washington, and St. Peter Claver Center Interracial Friendship House in Washington.

In his busy life Dan Cleary found time to contribute to various periodicals including: The Commonwealth, America, and Social Order. He was a frequent speaker before religious, lay, and patriotic organizations and served as Washington correspondent—1948–50—for Today, national Catholic weekly published in Chicago.

Mr. Speaker, may I truly say to the devoted woman who was his inspiration and his helpmate, and to the trio of fine children blessing their union, that to them is extended the deep sympathy of every Member of this body.

#### SANTA MARIA PROJECT, CALIFORNIA

Mr. NICHOLSON, from the Committee on Rules, reported the following privileged resolution (H. Res. 416, Rept. No. 1112), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2235) to authorize the Secretary of the Interior to construct the Santa Maria project, Southern Pacific Basin, Calif. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee



on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommend.

#### TO DISCHARGE INDEBTEDNESS OF THE COMMODITY CREDIT CORPORATION

Mr. NICHOLSON, from the Committee on Rules, reported the following privileged resolution (H. Res. 417, Rept. No. 1113), which was referred to the House Calendar and ordered to be printed:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 358, to discharge indebtedness of the Commodity Credit Corporation. After general debate, which shall be confined to the joint resolution, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommend.

#### RESOLUTION ON COMPOSITION OF COMMITTEES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the proceedings by which the resolution with respect to the composition of committees of the House was adopted may appear in the RECORD preceding the assignments to these committees heretofore made.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

#### REPORTS ON RULES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Reports on two rules have just been filed. I notice here the presence of the minority leader and wish to say this: that one of them has to do with a water project in the West. I shall discuss the matter further, but I make these comments at this point in order that the membership may know of the possibility of that being called for action later on this week.

#### SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1399. An act to authorize the Secretary of Agriculture to sell certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association, and for other purposes; to the Committee on Agriculture.

S. 1577. An act to authorize the exchange of land in Eagle County, Colo., and for other purposes; to the Committee on Agriculture.

S. 2583. An act to indemnify against loss all persons whose swine were destroyed in July 1952 as a result of having been infected with or exposed to the contagious disease vesicular exanthema; to the Committee on Agriculture.

#### ENROLLED BILLS SIGNED

Mr. LeCOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1917. An act to authorize the coinage of 50-cent pieces to commemorate the sesquicentennial of the Louisiana Purchase; and

H. R. 6665. An act to amend the Agricultural Adjustment Act of 1938, as amended.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2474. An act to authorize the coinage of 50-cent pieces to commemorate the tercentennial of the foundation of the city of New York.

#### BILLS PRESENTED TO THE PRESIDENT

Mr. LeCOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1917. A bill to authorize the coinage of 50-cent pieces to commemorate the sesquicentennial of the Louisiana Purchase; and

H. R. 6665. A bill to amend certain provisions of the Agricultural Adjustment Act of 1938, as amended.

#### EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. BURDICK.

Mr. LONG.

Mr. O'HARA of Illinois.

Mr. BOLLING

Mrs. FRANCES P. BOLTON.

Mr. HELLER (at the request of Mr. SHELLEY).

Mr. ASHMORE.

Mr. WOLVERTON (at the request of Mr. HALLECK) and to include extraneous material.

Mr. HAYS of Arkansas (at the request of Mr. BAILEY).

Mr. STEED. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on another approach to the Randall Commission report.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

#### ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 47 minutes p. m.), under its previous order, the House adjourned until Wednesday, January 27, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1184. A communication from the President of the United States, transmitting drafts of proposed provisions pertaining to the fiscal year 1954 for the cancellation of notes issued by the Commodity Credit Corporation to the Secretary of the Treasury in the amount of \$741,817,478 (H. Doc. No. 303); to the Committee on Appropriations and ordered to be printed.

1185. A letter from the Chairman, Commission on Foreign Economic Policy, transmitting a report which embodies the findings of the Commission on Foreign Economic Policy, pursuant to Public Law 215, 83d Congress (H. Doc. No. 290); to the Committee on Ways and Means and ordered to be printed.

1186. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1954 in the amount of \$4,800,000, and a draft of a proposed provision for the Treasury Department (H. Doc. No. 304); to the Committee on Appropriations and ordered to be printed.

1187. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal years 1954 and 1955 in the amount of \$150,000 for the Advisory Committee on Weather Control (H. Doc. No. 305); to the Committee on Appropriations and ordered to be printed.

1188. A letter from the Commandant, United States Coast Guard, transmitting a report showing the name of each contractor with whom a contract has been negotiated for experimental, developmental, or research work, or for the manufacture or furnishing of supplies for experimentation, development, research, or test, the amount of the contract, and, a description of the work to be performed for the period ending December 31, 1953, pursuant to section 2 (c) (11) of Public Law 413, 80th Congress; to the Committee on Armed Services.

1189. A letter from the Secretary of Commerce, transmitting the 25th quarterly report on export control, pursuant to the Export Control Act of 1949; to the Committee on Banking and Currency.

1190. A letter from the Secretary of State, transmitting the 11th semiannual report of the international information and educational exchange program for the period January 1 to June 30, 1953, pursuant to section 1008 of Public Law 402, 80th Congress; to the Committee on Foreign Affairs.

1191. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting the third report of the Commissioner of Education on the administration of Public Laws 874 and 815, 81st Congress, 2d session, including a detailed statement of receipts and disbursements, for the fiscal year which ended on June 30, 1953; to the Committee on Education and Labor.

1192. A letter from the Chairman, National Labor Relations Board, transmitting the 18th annual report of the National Labor Relations Board for the year ended June 30, 1953, pursuant to section 3 (c) of the Labor-Management Relations Act, 1947; to the Committee on Education and Labor.

1193. A letter from the Chairman, National Labor Relations Board, transmitting a list containing the names, salaries, and duties of all employees and officers in the employ or under the supervision of the National Labor Relations Board for the year ended June 30, 1953, pursuant to section 3 (c) of the Labor-Management Relations Act, 1947; to the Committee on Education and Labor.

1194. A letter from the Secretary, Federal Power Commission, transmitting a copy of a newly issued publication entitled "Statistics of Natural Gas Companies in the United States, 1952"; to the Committee on Interstate and Foreign Commerce.

1195. A letter from the Chairman, Federal Communications Commission, transmitting a draft of a bill entitled "A bill to amend the Communications Act in regard to protests of grants of instruments of authorization without hearing"; to the Committee on Interstate and Foreign Commerce.

1196. A letter from the Assistant Secretary of the Interior transmitting drafts of 2 proposed bills: 1 entitled "A bill to provide for the capitalization of the treaty annuity paid to the Six Nations of Indians, and for other purposes," and the other "A bill to provide for the distribution of funds belonging to the Seneca Nation and the Tonawanda Band of Senecas, and for other purposes"; to the Committee on Interior and Insular Affairs.

1197. A letter from the Clerk, United States Court of Claims, transmitting a certified copy of the court's opinion rendered pertaining to the bill H. R. 3131, for the relief of Raymond B. Jeffrey, pursuant to sections 1492 and 2509, title 28, United States Code, and in accordance with House Resolution 383, 82d Congress; to the Committee on the Judiciary.

1198. A letter from the Secretary of State transmitting the 6th annual report of claims paid by the Department during the calendar year 1953, pursuant to section 404 of the Federal Tort Claims Act, as amended; to the Committee on the Judiciary.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BISHOP: Joint Committee on the Disposition of Executive Papers. House Report No. 1110. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. H. CARL ANDERSEN: Committee on Appropriations. House Joint Resolution 358. Joint resolution to discharge indebtedness of the Commodity Credit Corporation; without amendment (Rept. No. 1111). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 416. Resolution for consideration of H. R. 2235, a bill to authorize the Secretary of the Interior to construct the Santa Maria project, Southern Pacific Basin, Calif.; without amendment (Rept. No. 1112). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 417. Resolution for consideration of House Joint Resolution 358, a joint resolution to discharge indebtedness of the Commodity Credit Corporation; without amendment (Rept. No. 1113). Referred to the House Calendar.

Mr. O'HARA of Minnesota: Committee on Interstate and Foreign Commerce. S. 373. An act to extend the time for filing claims for the return of property under the Trading With the Enemy Act (Rept. No. 1114). Referred to the Committee of the Whole House on the State of the Union.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 7465. A bill authorizing the appropriation of funds to provide for the prosecution of projects in the Columbia River Basin for flood control and other purposes; to the Committee on Public Works.

By Mr. ASPINALL:

H. R. 7466. A bill to authorize the Secretary of the Interior to execute an amendatory repayment contract with the Pine River Irrigation District, Colo., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BAILEY:

H. R. 7467. A bill to provide for Federal financial assistance to the States in the construction of public elementary and secondary school facilities, and for other purposes; to the Committee on Education and Labor.

By Mr. BENNETT of Michigan:

H. R. 7468. A bill to amend section 203 (a) of the Interstate Commerce Act so as to authorize regulation, for purposes of safety and protection of the public, of motor carrier transportation between points in foreign countries, insofar as such transportation takes place within the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. BOLLING:

H. R. 7469. A bill to establish an effective housing program; to the Committee on Banking and Currency.

By Mr. BUDGE:

H. R. 7470. A bill to amend the act of June 30, 1950, relating to the extension of the terms of patents of World War II veterans; to the Committee on the Judiciary.

By Mr. CEDERBERG:

H. R. 7471. A bill to amend section 203 (a) of the Interstate Commerce Act so as to authorize regulation, for purposes of safety and protection of the public, of motor carrier transportation between points in foreign countries, insofar as such transportation takes place within the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. CRETELLA:

H. R. 7472. A bill to provide for a determination by the Board of Engineers for Rivers and Harbors of the advisability of modifying the existing project at New Haven Harbor, Conn., in view of changed shipping and economic conditions; to the Committee on Public Works.

By Mr. ELLSWORTH:

H. R. 7473. A bill to authorize the construction and maintenance of certain harbor improvements at Gold Beach, Ore.; to the Committee on Public Works.

By Mr. EVINS:

H. R. 7474. A bill to establish a Federal Board of Hospitalization, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. GRAHAM:

H. R. 7475. A bill to amend the Refugee Relief Act of 1953; to the Committee on the Judiciary.

By Mr. HAND:

H. R. 7476. A bill to deny benefits, under any Federal retirement systems, to persons convicted of crimes for any actions related to the holding of Federal employment by such persons; to the Committee on Post Office and Civil Service.

By Mr. HOFFMAN of Michigan (by request):

H. R. 7477. A bill to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes; to the Committee on Government Operations.

By Mr. HYDE:

H. R. 7478. A bill to provide for a commission to regulate the transportation of pas-

sengers by common carriers operating over regular routes within the metropolitan area of Washington, D. C., and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JAVITS:

H. R. 7479. A bill to extend the time for the expiration of the commission and for the submission of additional reports by the Commission on Foreign Economic Policy, and for other purposes; to the Committee on Ways and Means.

By Mr. LONG:

H. R. 7480. A bill to amend the Internal Revenue Code to provide that the income-tax exemptions allowed a taxpayer shall in no case total less than \$3,500 if he is single or \$5,000 if he is married; to the Committee on Ways and Means.

By Mr. McDONOUGH:

H. R. 7481. A bill to authorize the improvement of Playa del Rey Inlet and Basin, Venice, Calif.; to the Committee on Public Works.

By Mr. MACK of Washington:

H. R. 7482. A bill authorizing the appropriation of funds to provide for the prosecution of projects in the Columbia River Basin for flood control and other purposes; to the Committee on Public Works.

By Mr. O'HARA of Minnesota:

H. R. 7483. A bill to increase the salaries of the judges of the municipal court of appeals for the District of Columbia and the municipal court for the District of Columbia; to the Committee on the District of Columbia.

By Mr. O'HARA of Minnesota (by request):

H. R. 7484. A bill to authorize the United States attorney for the District of Columbia to make the determination in proper cases whether prosecution of certain juveniles, charged with capital offenses, those punishable by life imprisonment and other felonies, shall be tried in the juvenile court of the District of Columbia; to the Committee on the District of Columbia.

By Mr. PATMAN:

H. R. 7485. A bill to increase to 12 the number of members of the Board of Governors of the Federal Reserve System and to provide that their terms of office shall be 6 years, and to abolish the Federal Open Market Committee and transfer its functions to such Board; to the Committee on Banking and Currency.

By Mr. REED of Illinois:

H. R. 7486. A bill to amend section 1071 of title 18, United States Code, relating to the concealing of persons from arrest, so as to increase the penalties therein provided; to the Committee on the Judiciary.

By Mr. VELDE:

H. R. 7487. A bill to amend the Internal Security Act of 1950; to the Committee on Un-American Activities.

By Mr. WILLIAMS of New York:

H. R. 7488. A bill to amend section 23 of the Internal Revenue Code relating to deductions for retirement by banks of certain preferred stocks; to the Committee on Ways and Means.

By Mr. WILSON of California:

H. R. 7489. A bill relating to the annual adjustment of the basic pay of members of the uniformed services; to the Committee on Armed Services.

By Mr. WHITTEN:

H. R. 7490. A bill to authorize the sale of farm commodities by the Commodity Credit Corporation, and for other purposes; to the Committee on Agriculture.

By Mr. ZABLOCKI:

H. R. 7491. A bill to allow certain establishments providing apprentice training to veterans under the Veterans' Readjustment Assistance Act of 1952 to postpone giving credit for previous training and job experience until the veteran has completed 6



months of apprentice training; to the Committee on Veterans' Affairs.

By Mr. H. CARL ANDERSEN:

H. J. Res. 358. Joint resolution to discharge indebtedness of the Commodity Credit Corporation; to the Committee on Appropriations.

By Mrs. FRANCES P. BOLTON:

H. J. Res. 359. Joint resolution designating the first full week in October, 1954, as National Nurse Week, and providing for the establishment of a central council to coordinate the observance of such week; to the Committee on the Judiciary.

By Mr. OLIVER P. BOLTON:

H. J. Res. 360. Joint resolution providing for the issuance of special postage stamps for use on overseas mail to commemorate the freedoms embodied in the Bill of Rights of the United States of America; to the Committee on Post Office and Civil Service.

By Mr. COLMER:

H. J. Res. 361. Joint resolution proposing an amendment to the Constitution with respect to the admission of new States as sovereign States of the United States; to the Committee on the Judiciary.

By Mr. HELLER:

H. J. Res. 362. Joint resolution providing that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn*; to the Committee on Armed Services.

By Mr. HOLMES:

H. Con. Res. 196 Concurrent resolution providing for the printing of proceedings at the unveiling of the statue of Dr. Marcus Whitman; to the Committee on House Administration.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H. R. 7492. A bill for the relief of Ludmila and Miroslav Turek; to the Committee on the Judiciary.

H. R. 7493. A bill for the relief of Demetrios George Kretikos; to the Committee on the Judiciary.

By Mr. DAVIS of Wisconsin:

H. R. 7494. A bill for the relief of Elizabeth Forster; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 7495. A bill for the relief of Americo Dos Santos; to the Committee on the Judiciary.

By Mr. FISHER:

H. R. 7496. A bill for the relief of Toshi Onodera Berry; to the Committee on the Judiciary.

By Mr. GUBSER (by request):

H. R. 7497. A bill for the relief of Roy M. Butcher; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 7498. A bill for the relief of David Manuel Porter; to the Committee on the Judiciary.

H. R. 7499. A bill for the relief of Charles Chan; to the Committee on the Judiciary.

By Mr. KEARNEY:

H. R. 7500. A bill for the relief of Kurt Forster; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 7501. A bill for the relief of Irma Elina Vcela; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 7502. A bill for the relief of Syed Ali; to the Committee on the Judiciary.

H. R. 7503. A bill for the relief of Bassa Mea; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 7504. A bill for the relief of Baldo-mero R. Garcia, Teresa Garcia y Braganza, Francisco Garcia, Teresita Garcia, and Eduardo Garcia; to the Committee on the Judiciary.

By Mr. MERROW:

H. R. 7505. A bill for the relief of Mrs. Azniv Y. Hasserdjian; to the Committee on the Judiciary.

By Mr. SEELY-BROWN:

H. R. 7506. A bill for the relief of Serafino Pulvirenti; to the Committee on the Judiciary.

By Mr. TRIMBLE:

H. R. 7507. A bill for the relief of Oather S. Hall; to the Committee on the Judiciary.

By Mr. WESTLAND:

H. R. 7508. A bill for the relief of James Dore, Jr.; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 7509. A bill for the relief of Jean Isabel Hay Watts; to the Committee on the Judiciary.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

473. By Mr. GOODWIN: Resolution of the City Council of the City of Boston, Mass., to Congress unanimously opposing the proposed construction of the St. Lawrence seaway; to the Committee on Public Works.

474. By Mr. SMITH of Wisconsin: Letter from the Reverend Arthur R. Oates, stated clerk of the Synod of Wisconsin of the Presbyterian Church in the U. S. A., calling attention to the action of the synod in opposing the inherent evils in such systems and doctrines of government as communism and fascism; to the Committee on Rules.

475. By the SPEAKER: Petition of the mayor, city of Chicago, Ill., in support of H. R. 2344, providing for a salary adjustment for post office employees; to the Committee on Post Office and Civil Service.

476. Also, petition of the president, Classroom Teachers Association of New York State, Schenectady, N. Y., supporting legislation for the continuation of Federal assistance for school construction and for current operating expenses; to the Committee on Education and Labor.

477. Also, petition of the national legislative director, Jewish War Veterans of the United States of America, Washington, D. C., opposing the proposed Bricker amendment; to the Committee on the Judiciary.

## EXTENSIONS OF REMARKS

### Report of Commission on Foreign Economic Policy

#### EXTENSION OF REMARKS

OF

#### HON. PRESCOTT BUSH

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Monday, January 25, 1954

Mr. BUSH. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I issued yesterday dealing with the report of the Commission on Foreign Economic Policy.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PRESCOTT BUSH, OF CONNECTICUT

The report of the Commission on Foreign Economic Policy, with its recommendations for positive action to remove obstructions in the channels of world trade, is a stride forward toward a major objective staked out by President Eisenhower in his state of the Union message. He described that goal as "the creation of a healthier and freer system of trade and payments within the free

world—a system in which our allies can earn their own way and our own economy can continue to flourish."

Achievement of that goal is essential if we are to win the cold war and lay the foundations of a lasting peace. It will require determined action by our allies as well as ourselves, as the Commission has emphasized. If the other free nations sincerely desire to cooperate, and give satisfactory evidence of their intention to do so, I hope that the Congress and the executive departments will act promptly to carry out the Commission's proposals.

Public interest has centered largely on the Commission's work in the area of tariff and trade policy. While this is understandable, it should not obscure the Commission's recommendations in other fields which are of greater importance.

In the broad picture, action taken in other fields than the tariff may be more effective in achieving the objective of stimulating trade in the free world. Of all the impediments to trade which now exist, the American tariff is among the least restrictive.

The report includes proposals for—

1. Continued participation by the United States, under the President's leadership, in trade agreements with other nations.

2. A gradual lowering of American tariffs, especially those in the highest ranges, on a carefully considered step-by-step basis.

3. Amendment of the Buy American Act to place foreign and domestic producers on a

mutually competitive basis in bidding for Government contracts.

4. Simplification of administrative procedures in the collection of customs and improvement of tariff classifications.

5. Stimulation of American private investments in friendly nations by increasing incentives both at home and abroad.

6. Establishing the sound principle that, as a general rule, the United States will grant economic aid to other nations only when our own security is involved. (For example, Korea, Formosa.)

7. Continued United States participation in technical-assistance programs in undeveloped nations, with emphasis on our contribution of technical knowledge instead of large sums of money.

8. Removal of conditions which bring our domestic-agricultural programs, including rigid price supports, into conflict with foreign economic policy.

9. Insuring an adequate supply of the raw materials needed by our expanding economy.

10. Encouraging progress toward the convertibility of currencies.

In connection with the Commission's recommendations on the tariff, close attention should be given to the fact that they are subject to essential safeguards. The Commission has properly stressed the fact that the United States no longer is among the higher tariff countries in the world. The average level of our duties has been cut by 50 percent, or more, in the past 20 years.